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Submitted by: Chairman of the Assembly at the
Request of the Mayor
Prepared by: Wohlforth, Vassar, Johnson
& Brecht
For Reading: February 15, 2005

CLERK'S OFFICE

APPROVED

Date: 3-1-05

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2005-31

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 SEVENTY-ONE MILLION DOLLARS (\$71,000,000) TO PROVIDE FUNDS REQUIRED TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION GENERAL PURPOSE 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 certain general obligation general purpose bonds of the Municipality of Anchorage, Alaska (the "Municipality") issued April 22, 1999, September 14, 2000, and June 27, 2002, respectively, as set out in Section 2(t) hereof, which financed certain general purpose 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

WHEREAS, the Home Rule Charter of the Municipality further provides in Section 15.03 that the Assembly by ordinance shall provide for the form and manner of sale

1 of bonds and notes including reasonable limitation upon the sale of bonds and notes to
2 financial consultants of the Municipality; and

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

11 WHEREAS, because the amount of bond proceeds and the obligations necessary
12 to pay the principal of, premium, if any, and interest on, and to effect the refunding of, the
13 Refunded Bonds depends, in part, on the interest rates to be borne by the bonds to be
14 issued pursuant to this Ordinance, the exact principal amount and the amount of each
15 maturity of the bonds to be issued and the specific obligations to be acquired shall hereafter
16 be authorized and approved by the Authorized Municipal Representative; and

17 NOW, THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS:

18 Section 1. Purpose. The purpose of this Ordinance is to authorize the issuance and
19 sale of not to exceed Seventy One Million Dollars (\$71,000,000) of general obligation
20 refunding general purpose bonds of the Municipality (the "Bonds") to provide the funds to
21 refund the Refunded Bonds, to pay the costs of issuance of the Bonds authorized herein
22 (including the bond insurance premium, if any), and to fix certain details and to provide for
23 the form and manner of sale of said Bonds to be issued.
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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-
26 tions of the character described in clause (1) hereof have been deposited in such fund and,
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1 along with any cash on deposit in such fund, are sufficient to pay principal of and interest
2 and redemption premium, if any, on the bonds or other obligations described in this clause
3 (2) on the maturity date or dates thereof or on the redemption date or dates specified in the
4 irrevocable instructions referred to in subclause (a) of this clause (2), as appropriate, and
5 (c) such securities are unconditionally rated Aaa by Moody's Investors Service or
6 unconditionally rated AAA by Standard & Poor's Ratings Services, a Division of The McGraw
7 Hill Companies.

8 (b) "Assembly" means the Municipal Assembly of the Municipality, as the general
9 legislative authority of the Municipality established pursuant to its Home Rule Charter, as the
10 same shall be duly and regularly constituted from time to time.

11 (c) "Authorized Municipal Representative" means the Chief Fiscal Officer of the
12 Municipality or his written designee.

13 (d) "Book-Entry System" means the system in which the Bonds (represented by
14 one Bond certificate for each maturity of the Bonds) are delivered into the possession of
15 DTC and are issued and fully-registered as to principal and interest in the name of Cede &
16 Co., and whereby beneficial interests in the Bonds are purchased by investors through DTC
17 Participants, such interests shown and transfers thereof effected only through the records
18 maintained by the respective DTC Participants from whom each such investor acquired such
19 beneficial interest.

20 (e) "Bond" or "Bonds" means any of the bonds of the Municipality, the issuance
21 and sale of which are authorized herein.

22 (f) "Bond Insurer" means, with respect to the Bonds, an insurance company which
23 issues a policy of insurance with respect to payment of the interest on and principal of the
24 Bonds.

25 (g) "Bond Register" means the registration books maintained by the Paying Agent
26 (as "Bond Registrar"), as agent of the Municipality, which include the names and addresses
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1 of the registered owners, or nominees of the registered owners if the Bonds are held in the
2 Book-Entry System, of the Bonds.

3 (h) "Cede & Co." means Cede & Co., the nominee of DTC, and any successor
4 nominee of DTC with respect to the Bonds.

5 (i) "Chief Fiscal Officer" means the Chief Fiscal Officer of the Municipality or his
6 written designee.

7 (j) "Code" means the Internal Revenue Code of 1986, as amended from time to
8 time, together with all regulations effective or promulgated and applicable thereto.

9 (k) "Commission" means the Securities and Exchange Commission.

10 (l) "DTC" means The Depository Trust Company, New York, New York, a limited
11 purpose trust company organized under the laws of the State of New York, as depository
12 for the Bonds pursuant to Section 6 hereof, and the term DTC shall include any corporate
13 successor thereto.

14 (m) "Escrow Agent" means U.S. Bank National Association, Seattle, Washington,
15 or its successors, as Escrow Agent under the Escrow Agreement.

16 (n) "Escrow Agreement" means the Escrow Agreement between the Escrow Agent
17 and the Municipality, pursuant to which the Escrow Obligations will be deposited, together
18 with other moneys, if necessary, to pay the interest on and the redemption price of the
19 Refunded Bonds.

20 (o) "Escrow Obligations" means direct, non-callable obligations of the United
21 States of America.

22 (p) "Letter of Representations" means the Blanket Issuer Letter of Representa-
23 tions from the Municipality to DTC, dated July 1, 1995, including DTC's Operational
24 Arrangements referenced in said letter, as they may be amended from time to time.

25 (q) "Municipality" means the Municipality of Anchorage created upon ratification
26 of the Home Rule Charter after the election thereon held on September 9, 1975, and the
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1 successor thereunder to the City of Anchorage, the City of Glen Alps, the City of Girdwood
2 and the Greater Anchorage Area Borough, former municipal corporations of the State of
3 Alaska.

4 (r) "Ordinance" means this Ordinance of the Municipality.

5 (s) "Outstanding Bonds" means the 1999 General Obligation General Purpose
6 and General Obligation Refunding General Purpose Bonds, Series A, dated April 1, 1999,
7 maturing April 1, 2014 through and including April 1, 2019, the 2000 General Obligation
8 General Purpose Bonds, Series A, dated September 1, 2000, maturing September 1, 2017
9 through and including September 1, 2020, the 2002 General Obligation and Refunding
10 Bonds, Series A (General Purpose), dated June 27, 2002, maturing June 1, 2015 and June
11 1, 2018 through and including June 1, 2020, all, or a portion, of which shall be refunded with
12 the proceeds of the Bonds.

13 (t) "Paying Agent" means U.S. Bank National Association, Seattle, Washington,
14 or its successors as described in Section 14 of the ordinance. The Paying Agent shall also
15 act as "Bond Registrar."

16 (u) "Paying Agent Agreement" means the Agreement between the Municipality
17 and the Paying Agent relating to the Bonds.

18 (v) "Refunded Bonds" means all, or a portion, of the Outstanding Bonds which are
19 designated by the Authorized Municipal Representative for refunding in the purchase
20 contract for the Bonds.

21 (w) "Refunded Bond Fund" means the special fund established pursuant to
22 Section 12 hereof, and designated as the "General Obligation General Purpose Refunded
23 Bond Fund" for the purpose of holding moneys, including Bond proceeds, to be used to pay
24 the interest on and to redeem the Refunded Bonds.

25 (x) "Rule" means the Commission's Rule 15c2-12 under the Securities Exchange
26 Act of 1934, as the same may be amended from time to time.

1 Section 3. Authority for Ordinance. The Municipality has ascertained and hereby
2 determines that each and every matter and thing as to which provision is made in this Ordinance
3 is necessary in order to carry out and effectuate the purposes of the Municipality in
4 accordance with the Constitution and statutes of the State of Alaska and the Home Rule
5 Charter of the Municipality, and to incur the indebtedness and issue the Bonds.

6 Section 4. Obligation of Bonds; Pledge. The Bonds shall be direct and general
7 obligations of the Municipality and the full faith and credit of the Municipality are hereby
8 pledged to the payment of the principal of and interest on the Bonds. The Municipality
9 hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable
10 property within the Municipality without limitation as to rate or amount, in amounts sufficient,
11 together with other funds legally available therefor, to pay the principal of and interest on the
12 Bonds as the same become due and payable. In the event that any Bond Insurer makes
13 any payment under a bond insurance policy with respect to the Bonds, such payment shall
14 not be deemed a payment of the Municipality and such payment amounts shall continue to
15 be due and payable by the Municipality under this Ordinance.

16 Section 5. Authorization of Bonds and Purpose of Issuance. For the purpose of
17 providing the funds required to purchase Escrow Obligations and to provide a beginning
18 cash balance, if necessary, to effect the refunding of the Refunded Bonds in the manner and
19 at the time hereinafter set forth, and to provide for original issue discount, if any, and to pay
20 all costs of issuance, general obligation bonds of the Municipality with such designation as
21 is set forth in Section 6 hereof, are hereby authorized, and shall be issued, in the principal
22 amount of not to exceed Seventy One Million Dollars (\$71,000,000) or so much thereof as
23 is required, together with other moneys available and used for such purpose, to effect the
24 refunding of the Refunded Bonds. The designation of the Refunded Bonds and the
25 aggregate principal amount of the Bonds to be issued shall be fixed by the Authorized
26 Municipal Representative in the manner described in Section 22.

1 Section 6. Designation, Maturities, Payment Dates, Rates. The Bonds shall be
2 designated "Municipality of Anchorage, Alaska, 2005 General Obligation Refunding Bonds,
3 Series C (General Purpose)" or such other or additional designation as may be made by the
4 Authorized Municipal Representative, shall be issued in one or more series or may be
5 combined and sold as a single series with other bonds authorized by an ordinance approved
6 by the Assembly, shall be dated and mature on such dates and may be redeemed in such
7 manner as shall be established by the Authorized Municipal Representative pursuant to
8 Section 22 of this Ordinance or by the Assembly by resolution.

9 The Bonds shall bear interest from their dated date payable on such dates at such
10 rates as may be fixed and determined by the Authorized Municipal Representative pursuant
11 to Section 22 of this Ordinance or by the Assembly by resolution adopted prior to the
12 delivery of the Bonds.

13 The Bonds shall be registered as to principal and interest as herein provided. The
14 Bonds shall each be of the denomination of Five Thousand Dollars (\$5,000) or any integral
15 multiple thereof of the same interest rate and maturity approved by the Municipality, such
16 approval to be evidenced by the execution of such Bonds. Each Bond shall bear a number
17 or letter, or a number and letter, distinguishing it from every other Bond in the manner and
18 with such additional designation as the Paying Agent deems necessary for purposes of
19 identification. The Bonds may be delivered with the aggregate principal amount of Bonds
20 maturing on one date represented by one Bond, in typewritten, printed or lithographed form.
21 The Bonds shall be substantially in the form hereinafter set forth, with such appropriate
22 variations, omissions or insertions as are permitted or required by this Ordinance, and may
23 have endorsed thereon such legends or text as may be necessary or appropriate to conform
24 to the rules and regulations of any governmental authority or any usage or requirement of
25 law with respect thereto.

1 In order to induce DTC to accept the Bonds as eligible for deposit at DTC, the
2 Municipality has executed and delivered the Letter of Representations which has been
3 accepted by DTC. Unless the Authorized Municipal Representative, or the Assembly by
4 resolution, shall otherwise determine, the Bonds initially issued shall be available for
5 purchase only through brokers and dealers, who must be or act through participants in DTC,
6 shall be held under the Book-Entry System by DTC acting as depository pursuant to the
7 terms and conditions set forth in the Letter of Representations, shall be issued in
8 denominations equal to the aggregate principal amount of each maturity of the Bonds and
9 shall initially be registered in the name of Cede & Co., as the nominee of DTC.

10 Neither the Municipality nor the Paying Agent will have any responsibility or obligation
11 to DTC participants or the persons for whom they act as nominees with respect to the Bonds
12 regarding the accuracy of any records maintained by DTC or any DTC participant, the
13 payment by DTC or any DTC participant of any amount in respect of the principal or
14 redemption price of or interest on the Bonds, any notice which is permitted or required to be
15 given to owners of the Bonds under this Ordinance (except such notices as shall be required
16 to be given by the Municipality to the Paying Agent or to DTC), the selection by DTC or any
17 DTC participant of any person to receive payment in the event of a partial redemption of the
18 Bonds or any consent given or other action taken by DTC as the owner of the Bonds. For
19 so long as any Bonds are held under the Book-Entry System, DTC or its successor
20 depository shall be deemed to be the owner of the Bonds for all purposes hereunder, and
21 all references herein (except for Section 27) to the owner of the Bonds or similar terms shall
22 mean DTC or its nominee and shall not mean the owners of any beneficial interest in the
23 Bonds.

24 Section 7. Additional Details of Bonds. Each of the Bonds shall be signed by the
25 manual or facsimile signature of the Mayor or the Municipal Manager and the official seal
26 of the Municipality (or a facsimile thereof) shall be affixed, imprinted or otherwise reproduced
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1 on the Bond and attested by the manual or facsimile signature of the Municipal Clerk, acting
2 Municipal Clerk or Deputy Municipal Clerk. In case any officer whose signature or facsimile
3 of whose signature shall appear on any Bonds shall cease to be such officer before the
4 delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and
5 sufficient for all purposes the same as if he or she had remained in office until such delivery.

6 The Bonds shall contain a certificate of the Paying Agent in substantially the following
7 form:

8 **PAYING AGENT'S CERTIFICATE**
9 **OF AUTHENTICATION**

10 This Bond is one of the Municipality of Anchorage, Alaska, 2005 General Obligation
11 Refunding Bonds, Series C (General Purpose) described in and issued pursuant to the
within mentioned Ordinance.

12 **U.S. BANK NATIONAL ASSOCIATION,**
13 **as Paying Agent**

14 **Date of Authentication:**

15 _____ By _____
16 **Authorized Agent**

17 The principal, redemption price of and the interest on the Bonds shall be payable in
18 any coin or currency of the United States of America which, at the respective dates of
19 payment thereof, is legal tender for the payment of public and private debts.

20 For so long as all outstanding Bonds are held under the Book-Entry System, payment
21 of principal and interest thereof shall be made in accordance with the operational
22 arrangements of DTC referred to in the Letter of Representations.

23 In the event that the Bonds are not or are no longer held under the Book-Entry
24 System: (i) payment of principal on each principal payment date on all Bonds shall be
25 payable upon presentment at a corporate trust office of the Paying Agent as may be
26 designated by the Paying Agent; and (ii) payment of interest on the Bonds shall be made
27 by check or draft mailed by first class mail to the registered owner of record as of the 15th

1 day of the month preceding each interest payment date at the address appearing on the
2 Bond Register of the Municipality kept by the Paying Agent, provided that any owner of
3 Bonds in an aggregate principal amount of \$1,000,000 or more may, at its option, receive
4 interest payments by wire transfer at any location within the United States of America upon
5 written notice delivered to the Paying Agent not later than the 15th day of the month
6 preceding any interest payment date.

7 Section 8. Redemption of Bonds. The Bonds may be subject to redemption by or
8 on behalf of the Municipality prior to maturity and upon notice as hereinafter provided, as a
9 whole or in part as may be fixed and determined by the Authorized Municipal Representative
10 pursuant to Section 22 of this Ordinance or by resolution of the Assembly adopted prior to
11 or at the time of delivery of the Bonds. If the Bonds are no longer held under the Book-Entry
12 System, the following provisions shall govern the manner of selection on Bonds to be
13 redeemed. If fewer than all of the Bonds within a single maturity are to be called for
14 redemption prior to their scheduled maturity, the portions of Bonds within a maturity to be
15 redeemed shall be selected by the Paying Agent, acting as Bond Registrar, by lot in the
16 manner chosen by the Paying Agent. In selecting Bonds to be redeemed in part within a
17 single maturity, the Paying Agent shall treat each Bond as representing that number of
18 Bonds of a \$5,000 denomination which is obtained by dividing the principal amount of such
19 Bond by \$5,000. As long as the Bonds are held under the Book-Entry System, such
20 selection shall be made by DTC in accordance with the operational arrangements of DTC
21 then in effect, as referred to in the Letter of Representations.

22 Section 9. Notice of Redemption. Except as hereafter provided in this Section 9,
23 when the Municipality determines to redeem any Bonds, the Paying Agent shall cause to be
24 given notice of such redemption (which notice may be conditional) in the manner then
25 provided by law, which notice shall state the redemption date and identify the Bonds to be
26 redeemed by reference to their numbers and/or letters and further may be conditional or
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1 may state that on such redemption date there shall become due and payable upon each
2 such Bond, or portion thereof, the principal amount thereof plus the applicable premium, if
3 any (the "Redemption Price"), together with interest accrued to the redemption date, and
4 that from and after such date interest thereon shall cease to accrue. Such notice shall be
5 given at least 30 days but not more than 60 days prior to the redemption date by first class
6 mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address
7 of the registered owner appearing on the Bond Register; provided, however, that for so long
8 as the Bonds are held under the Book-Entry System, all notices of redemption shall be given
9 only as provided in the manner described in the Letter of Representations. In addition to the
10 above required mailing, the Municipality shall also cause notice of such intended redemption
11 to be given to the managing underwriter(s) of the Bonds or their respective business
12 successors, if any, and, when there is a bond insurance policy with respect to any Bonds,
13 to the Bond Insurer, if any, by mail or electronic means.

14 If the Bonds are no longer held under the Book-Entry System, then, in addition to the
15 foregoing notice, further notice of redemption shall be given by the Paying Agent as set out
16 below, but no defect in said further notice nor failure to give all or any portion of such further
17 notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof
18 is given as above prescribed.

19 Each further notice of redemption given hereunder shall contain the information
20 required above for an official notice of redemption plus: (i) if fewer than all outstanding
21 Bonds are to be redeemed, the identification (and, in the case of partial redemption, the
22 principal amounts) of the Bonds to be redeemed, (ii) if the Bonds are no longer held under
23 the Book-Entry System the Bonds are to be surrendered for payment at the corporate trust
24 office of the Paying Agent or such other location as may be designated by the Paying
25 Agent (iii) the CUSIP numbers of all Bonds being redeemed, (iv) the dated date of the
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1 Bonds, (v) the rate of interest for each Bond being redeemed, (vi) the date of the notice, and
2 (vii) any other information needed to identify accurately the Bonds being redeemed.

3 The Municipality shall notify the Paying Agent of any optional redemption at least 5
4 days prior to the date on which notice pursuant to this Section 9 is to be given to DTC or the
5 registered owner of any Bond to be redeemed, as the case may be.

6 The foregoing notice provisions of this Section 9, including but not limited to the
7 information to be included in redemption notices and the persons designated to receive
8 notices, may be, but is not required to be, amended by additions, deletions and changes in
9 order to maintain compliance with duly promulgated regulations and recommendations
10 regarding notices of redemption of municipal securities.

11 Section 10. Payment of Redeemed Bonds. If unconditional notice of redemption has
12 been given in the manner provided in this Ordinance, the Bonds so called for redemption
13 shall become due and payable on the redemption date stated in said notice at the applicable
14 redemption price on said date plus interest accrued and unpaid to the redemption date. If,
15 on the redemption date, moneys for the redemption of all the Bonds to be redeemed,
16 together with interest accrued and unpaid to the redemption date, shall be held on behalf
17 of the Municipality at the corporate trust office of the Paying Agent so as to be available
18 therefor on said date and if notice of redemption shall have been given as aforesaid, then
19 from and after the redemption date the Bonds so called for redemption shall cease to bear
20 interest.

1 Section 11. Form of Bond. Each Bond shall be in substantially the following form,
2 with such variations, omissions and insertions as may be required or permitted by this
3 Ordinance or by other ordinance or resolution of the Assembly:

4 UNITED STATES OF AMERICA
5 STATE OF ALASKA

6 MUNICIPALITY OF ANCHORAGE
7 (A Municipal Corporation of the State of Alaska)

8 No. GO- \$

9 GENERAL OBLIGATION REFUNDING BOND, 2005 SERIES C
(GENERAL PURPOSE)

10 INTEREST RATE: MATURITY DATE CUSIP NO.

11 REGISTERED OWNER: CEDE & Co.

12 PRINCIPAL AMOUNT:

13
14
15 The Municipality of Anchorage, a municipal corporation of the State of Alaska (the
16 "Municipality"), for value received, acknowledges itself indebted and hereby promises to pay
17 to the Registered Owner identified above, or registered assigns, on the Maturity Date
18 identified above, upon presentation and surrender hereof, the Principal Amount shown
19 above, and to pay interest on such principal sum from the date hereof until its obligation with
20 respect to the payment of such principal sum shall be discharged, at the Interest Rate per
21 annum shown above, payable on the first days of _____ and _____ in each year
22 beginning _____, 200__. The principal of and interest on this Bond shall be
23 payable in any coin or currency of the United States of America which at the time of payment
24 is legal tender for the payment of public and private debts. Principal shall be paid to the
25 Registered Owner or assigns upon presentation and surrender of this Bond at the corporate
26 trust office of U.S. Bank National Association, Seattle, Washington (hereinafter called the
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1 Paying Agent), or its successors. Payment of interest shall be made by check or draft
2 mailed to the Registered Owner, as of the 15th day of the month preceding the interest
3 payment date, at the address appearing on the Bond Register of the Municipality kept at the
4 corporate trust office of the Paying Agent. Notwithstanding the foregoing, if this Bond is held
5 in fully immobilized form, payment of principal and interest shall be as provided in the
6 Blanket Issuer Letter of Representations between the Municipality and The Depository Trust
7 Company dated July 1, 1995, and The Depository Trust Company's Operational Arrange-
8 ments referred to therein as they may be amended from time to time (together, the "Letter
9 of Representations").

10 This Bond is one of the General Obligation Refunding Bonds (General Purpose) of
11 Anchorage, Alaska, of like tenor and effect except as to interest rate, number, and maturity,
12 aggregating \$ _____ in principal amount, and constituting Bonds authorized for the
13 purpose of refunding certain general obligation school bonds of the Municipality, and is
14 issued pursuant to Ordinance No. AO 2005-__ of the Municipality entitled:

15 AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE,
16 ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSU-
17 ANCE OF GENERAL OBLIGATION REFUNDING BONDS OF
18 THE MUNICIPALITY IN THE AGGREGATE PRINCIPAL
19 AMOUNT OF NOT TO EXCEED SEVENTY-ONE MILLION
20 DOLLARS (\$71,000,000) TO PROVIDE FUNDS REQUIRED TO
21 REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION
22 GENERAL PURPOSE 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; AUTHO-
RIZING THE CHIEF FISCAL OFFICER TO NEGOTIATE AND
EXECUTE A CONTRACT FOR THE PURCHASE AND SALE
OF SAID BONDS; AND RELATED MATTERS.

23 (the "Ordinance").

24 The Bonds maturing in the years 20__ through 20__, inclusive, are not subject to
25 redemption prior to maturity. The Bonds maturing on and after _____, 20__, are
26 subject to redemption at the option of the Municipality on and after _____ 1, 20__, in

1 whole on any date or in part in increments of \$5,000 with maturities selected by the
 2 Municipality on any interest payment date prior to maturity, at the following prices expressed
 3 as a percentage of the principal amount thereof, plus accrued interest to the date of
 4 redemption, upon notice as provided in the Ordinance and the Letter of Representations:

<u>Redemption Date</u>	<u>Redemption Price</u>
_____ 1, 20__ through _____, 20__ _____ 1, 20__ and thereafter	%

8 Unless previously redeemed pursuant to the foregoing optional redemption provision,
 9 the Bonds maturing on _____ 1, 20__ are subject to mandatory redemption on
 10 _____ 1 of the following years, and in the following principal amounts, beginning on
 11 _____ 1, 20__, at a price of 100% of the principal amount thereof, plus accrued
 12 interest, if any, to the date of redemption, upon notice as provided in the Ordinance and the
 13 Letter of Representations:

<u>Redemption Year</u>	<u>Term Bonds</u>	<u>Principal Amount</u>
20__		\$
20__		
20__		
20__		
20__*		

19 * Final Maturity

20 Interest on any Bonds unconditionally called for redemption shall cease to accrue on
 21 the date fixed for redemption unless such Bonds are not redeemed upon presentation
 22 pursuant to such call. Notice of any redemption of Bonds shall be given as provided in the
 23 Ordinance and the Letter of Representations.

24 This Bond is transferable as provided in the Ordinance and the Letter of Representa-
 25 tions. The Municipality and the Paying Agent may treat and consider the person in whose
 26 name this Bond is registered as the absolute owner hereof for the purpose of receiving

1 payment of, or on account of, the principal or redemption price, if any, hereof and interest
2 due hereon and for all other purposes whatsoever.

3 This Bond is a general obligation of the Municipality of Anchorage, Alaska, and the
4 full faith and credit of the Municipality are pledged for the payment of the principal of and
5 interest on the Bonds. The Municipality hereby irrevocably pledges and covenants that it
6 will levy and collect taxes upon all taxable property within the Municipality without limitation
7 as to rate or amount, in amounts sufficient, together with other funds legally available
8 therefor, to pay the principal of and interest on the Bonds as the same become due and
9 payable.

10 IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required
11 by the Constitution or statutes of the State of Alaska and the Home Rule Charter of the
12 Municipality to exist, to have happened or to have been performed precedent to or in the
13 issuance of this Bond, exist, have happened and have been performed, and that the series
14 of Bonds of which this is one, together with all other indebtedness of the Municipality, is
15 within every debt and other limit prescribed by said Constitution, statutes or Charter.

16 IN WITNESS WHEREOF, ANCHORAGE, ALASKA, has caused this Bond to be
17 signed in its name and on its behalf by the manual or facsimile signature of its [Mayor]
18 [Municipal Manager] and its corporate seal to be hereunto impressed or imprinted or
19 otherwise reproduced and attested by the manual or facsimile signature of its [Deputy]
20 Municipal Clerk or acting Municipal Clerk, all as of the ____ day of _____, 2005.

21
22
23 [SEAL]

[Mayor] [Municipal Manager]

24 ATTEST:

25
26 _____
[Deputy] Municipal Clerk

1 In the event the Bonds are not or are no longer held under the Book-Entry System,
2 the form of the Bonds may be modified to conform to printing requirements and the terms
3 of this Ordinance.

4 Section 12. Disposition of the Proceeds of Sale of the Bonds and Authorization of
5 an Escrow Agreement. Proceeds received from the sale of the Bonds shall be (i) deposited
6 in the "General Obligation General Purpose Refunded Bond Fund" (the "Refunded Bond
7 Fund") which is hereby created, and used, together with such moneys as may be transferred
8 to said account pursuant to this Ordinance, to deposit cash and to purchase Escrow
9 Obligations maturing as to principal and interest in such amounts and at such times as to
10 provide for the payment of interest on the Refunded Bonds to the maturity date or date of
11 redemption of each such Bond and the redemption price of the Refunded Bonds on the
12 permitted redemption date as provided in Section 13 hereof, and (ii) used to pay costs of
13 issuance of the Bonds pursuant to the terms of the Paying Agent Agreement.

14 Moneys and Escrow Obligations deposited in the Refunded Bond Fund shall be
15 irrevocably set aside and deposited in a trust account for safekeeping, pursuant to the
16 Escrow Agreement with U.S. Bank National Association, Seattle, Washington, which is
17 hereby appointed as Escrow Agent. Such money and obligations are hereby pledged to be
18 held and applied solely for the purpose set forth herein, provided, however, that the
19 Municipality may from time to time transfer, or cause to be transferred, free of trust from
20 such Refunded Bond Fund any moneys not required for such purpose upon securing a
21 verification from a certified public accountant and opinion of bond counsel as set forth in the
22 next succeeding paragraph.

23 The Municipality reserves the right to substitute other Escrow Obligations for
24 investments in the Refunded Bond Fund in the event it may do so pursuant to Section 148
25 of the Code and applicable regulations thereunder, provided, that, at all times the moneys
26 and Escrow Obligations in the Refunded Bond Fund shall be sufficient to accomplish the
27

1 refunding of the Refunded Bonds and the payment of principal and interest as provided
 2 herein. Prior to each such substitution, the Municipality shall obtain (1) a verification by a
 3 certified public accountant which shall be satisfactory to bond counsel to the Municipality
 4 that the moneys and Escrow Obligations on deposit after such substitution will be sufficient
 5 to effect such refunding of the Refunded Bonds and the payment of principal and interest,
 6 and (2) an opinion from bond counsel that such substitution shall not cause any Bond or
 7 Refunded Bond to lose its tax-exempt status under Section 148 of the Code. When all of
 8 the Refunded Bonds shall have been redeemed and retired, the Municipality may cause to
 9 be transferred from the Refunded Bond Fund free of trust all moneys remaining therein.

10 Section 13. Call of Refunded Bonds for Prior Redemption. The designation of the
 11 Refunded Bonds shall be made by the Authorized Municipal Representative pursuant to
 12 Section 22 of this Ordinance. The Municipality hereby elects to call the Refunded Bonds on
 13 the first date on which such Refunded Bonds may be redeemed in accordance with the
 14 Ordinances authorizing their issuance, respectively, which dates and prices are as follows:

15 1999 General Obligation General Purpose and General Obligation Refunding
 16 General Purpose Bonds, Series A

<u>Maturity Date</u>	<u>Redemption Date</u>	<u>Price</u>
April 1, 2014	April 1, 2009	100%
April 1, 2015	April 1, 2009	100
April 1, 2016	April 1, 2009	100
April 1, 2017	April 1, 2009	100
April 1, 2018	April 1, 2009	100
April 1, 2019	April 1, 2009	100

1 and shall be authorized by law to perform all the duties imposed upon it by this Ordinance,
2 shall be the successor to the Paying Agent without the execution or filing of any paper or the
3 performance of any further act.

4 The Paying Agent shall maintain a Bond Register which shall include the names and
5 addresses of the registered owners or nominees of the owners of the Bonds and which shall
6 provide for the registration, transfer and exchange of Bonds. The Municipality covenants
7 that, until all Bonds have been surrendered and canceled, it will maintain a system for
8 recording the ownership of each Bond that complies with the provisions of Section 149 of
9 the Code.

10 The Paying Agent may become the owner of or may deal in Bonds as fully and with
11 the same rights as if it was not the Paying Agent.

12 (b) Concerning the use of DTC,

13 (1) Unless otherwise provided by resolution of the Assembly, the Bonds shall
14 be registered initially in the name of Cede & Co., as nominee of DTC, with one Bond
15 maturing on each of the maturity dates established in a denomination corresponding
16 to the total principal amount therein designated to mature on such date. Registered
17 ownership of such immobilized Bonds, or any portions thereof, may not thereafter be
18 transferred except (i) to any successor of DTC or its nominee, provided that any such
19 successor shall be qualified under any applicable laws to provide the service
20 proposed to be provided by it; (ii) to any substitute depository appointed by the
21 Assembly pursuant to (2) below or such substitute depository's successor; or (iii) to
22 any person as provided in (4) below.

23 (2) Upon the resignation of DTC or its successor (or any substitute depository
24 or its successor) from its functions as depository or a determination by the Assembly
25 that it is no longer in the best interest of owners of beneficial interests in the Bonds
26 to continue the system of book-entry transfers through DTC or its successors (or any
27

1 substitute depository or its successor), the Assembly may thereafter appoint a
2 substitute depository. Any such substitute depository shall be qualified under any
3 applicable laws to provide the services proposed to be provided by it.

4 (3) In the case of any transfer pursuant to clause (i) or (ii) of (1) above, the
5 Paying Agent shall, upon receipt of all outstanding Bonds, together with a written
6 request on behalf of the Assembly, issue a single new Bond for each maturity then
7 outstanding, registered in the name of such successor or such substitute depository,
8 or their nominees, as the case may be, all as specified in such written request of the
9 Assembly.

10 (4) In the event that (i) DTC or its successor (or substitute depository or its
11 successor) resigns from its functions as depository and no substitute depository can
12 be obtained, or (ii) the Assembly determines that it is in the best interest of the
13 registered owners of the Bonds that they be able to obtain Bond certificates, the
14 ownership of Bonds may then be transferred to any person or entity as herein
15 provided and the Bonds shall no longer be held under the Book-Entry System. The
16 Municipality shall deliver a written request to the Paying Agent, together with a supply
17 of definitive Bonds, to issue Bonds as herein provided in any authorized denomina-
18 tion. Upon receipt of all then outstanding Bonds by the Paying Agent, together with
19 a written request on behalf of the Assembly to the Paying Agent, new Bonds shall be
20 issued in such denominations and registered in the names of such persons as are
21 requested in such written request.

22 Section 15. Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond shall
23 become mutilated or be destroyed, stolen or lost, the Municipality may cause to be
24 executed, and shall deliver, a new Bond of like interest rate, principal amount, maturity and
25 series in exchange and substitution for and upon cancellation of such mutilated Bond, or in
26 lieu of and in substitution for such Bond destroyed, stolen or lost, in each case upon the
27

1 registered owner thereof paying the reasonable expenses and charges of the Municipality
2 and the Paying Agent in connection therewith and in the case of a Bond destroyed, stolen
3 or lost, filing by the owner with the Paying Agent evidence satisfactory to the Paying Agent
4 and the Municipality that such Bond was destroyed, stolen or lost and the owner's ownership
5 thereof, and furnishing the Municipality and the Paying Agent with indemnity satisfactory to
6 them. Any new Bond so delivered may bear a number differing from the number of the
7 Bond it replaces.

8 Section 16. Transfer of Bonds and Delivery of New Bonds. If the Bonds are no
9 longer held in the Book-Entry System, any Bond may be transferred only upon the books
10 kept for the registration and transfer of Bonds by the Paying Agent, upon surrender thereof
11 at a corporate trust office of the Paying Agent as may be designated by the Paying Agent,
12 together with an assignment duly executed by the registered owner or the registered owner's
13 attorney in such form as shall be satisfactory to the Paying Agent. Upon the transfer of any
14 such Bond, there shall be executed in the name of the transferee, and the Municipality shall
15 cause to be authenticated and delivered, a new registered Bond or Bonds of the same
16 maturity and aggregate principal amount in any of the authorized denominations.

17 In all cases in which Bonds may be transferred under this Ordinance, there shall be
18 executed, and the Municipality shall authenticate and deliver, Bonds in accordance with the
19 provisions of this Ordinance. Any such transfer shall be without cost to the registered
20 owner, except that the Municipality and the Paying Agent may make a charge for every such
21 registration, exchange or transfer of Bonds sufficient to reimburse them for any tax, fee or
22 other governmental charge required to be paid with respect to such registration, exchange
23 or transfer, and such charge or charges shall be paid before any such new Bond shall be
24 delivered. Neither the Municipality nor the Paying Agent shall be required to make any such
25 registration, exchange or transfer of a Bond during the 15 days next preceding an interest
26 payment date for such Bond.

1 Section 17. Ownership of Bonds. As to any Bond, the person in whose name the
2 same shall be registered on the Bond Register shall be deemed and regarded as the
3 absolute owner thereof for all purposes (except for Section 27 hereof), and payment of or
4 on account of the principal on such Bond and the interest on such Bond shall be made only
5 to or upon the order of the registered owner thereof or the registered owner's legal
6 representative, but such registration may be changed as hereinabove provided. All such
7 payments shall be valid and effectual to satisfy and discharge the liability upon such Bond,
8 including the interest thereon, to the extent of the sum or sums so paid.

9 The Bonds shall be uncertificated securities to the extent provided by Alaska
10 Statutes, Title 45.08. The Municipality and the Paying Agent shall be entitled to treat the
11 person in whose name any Bond is registered as the absolute owner thereof for all purposes
12 of this Ordinance and any applicable laws, notwithstanding any notice to the contrary
13 received by the Paying Agent or the Municipality. Neither the Municipality nor the Paying
14 Agent will have any responsibility or obligation, legal or otherwise, to any other party, except
15 to the registered owners of the Bonds.

16 Section 18. Arbitrage Covenant. The Municipality covenants with the registered
17 owners of all Bonds at any time outstanding that it will make no use of the proceeds of the
18 Bonds which will cause the Bonds to be "arbitrage bonds" subject to federal income taxation
19 by reason of Section 148 of the Code. To that end, so long as any of the Bonds are
20 outstanding, the Municipality, with respect to the proceeds of the Bonds, shall comply with
21 all requirements of said Section 148 and the regulations thereunder to the extent that such
22 requirements are, at the time, applicable and in effect.

23 Section 19. Compliance with Code. The Municipality hereby covenants to comply
24 with any and all applicable requirements set forth in the Code in effect from time to time to
25 the extent that such compliance shall be necessary for the exemption from federal income
26 taxes of the interest on the Bonds. The Municipality hereby further covenants to observe
27

1 any and all applicable requirements in any future federal tax legislation to the extent that
2 such compliance is determined by the Municipality to be legal and practicable and required
3 for such exemption.

4 The covenants of this Section shall also be deemed to have been made for the
5 benefit of any Bond Insurer for so long as a Bond Insurer maintains a policy of insurance
6 with respect to any of the Bonds.

7 Section 20. Rebate Requirement. The Municipality covenants and agrees that it will
8 pay any amounts required to comply with the arbitrage rebate requirements of Section 148(f)
9 of the Code.

10 Section 21. Defeasance. In the event money and/or noncallable Acquired Obliga-
11 tions maturing at such times and bearing interest to be earned thereon in amounts sufficient
12 to retire any or all of the Bonds in accordance with their terms are set aside in a special trust
13 account to effect such retirement and such moneys and the principal of and interest on such
14 obligations are irrevocably set aside and pledged for such purpose, then no further
15 payments need be made to pay or secure the payment of the principal of and interest on
16 such Bonds and such Bonds shall be deemed not to be outstanding. If the Bonds are
17 insured, any defeasance of the Bonds shall be made by cash and/or direct, non-callable
18 obligations of the United States of America and/or agencies of the United States of America.

19 Section 22. Sale of Bonds, Final Terms, Approval of Official Statement. The Bonds
20 shall be sold at negotiated sale to certain underwriters named in the Purchase Contract (as
21 defined below). The Authorized Municipal Representative, with the assistance of the
22 Financial Advisor (as defined below), is hereby authorized to designate the Outstanding
23 Bonds to be refunded as the "Refunded Bonds," negotiate terms for the purchase of the
24 Bonds, with Bear, Stearns, & Co., Inc., Citicorp Global Markets Inc., George K. Baum & Co.,
25 Morgan Stanley, and Siebert Brandford Shank & Co., LLC (collectively, the "Underwriters"),
26

1 and to execute a purchase contract with the representative of the Underwriters for the
2 purchase of the Bonds ("Purchase Contract") which is in the best interest of the Municipality.

3
4 The Municipality has been advised by its financial advisor, UBS Financial Services
5 Inc. (the "Financial Advisor"), that market conditions continue to fluctuate and, as a result,
6 the most favorable market conditions may occur on a day other than a regular meeting date
7 of the Assembly. The Assembly has determined that it would be inconvenient, perhaps
8 impossible, to hold a special meeting on short notice and, accordingly, has determined that
9 it would be in the best interest of the Municipality to delegate to the Authorized Municipal
10 Representative for a limited time the authority to approve certain details of the Bonds
11 including the date and the delivery date, the aggregate principal amount and the principal
12 amount of each maturity, the purchase price, the maturity and interest payment dates and
13 the interest rates of each maturity. The foregoing terms, including the designation of the
14 Refunded Bonds shall be set forth in the Purchase Contract. The Authorized Municipal
15 Representative shall take into account those factors which, in his judgment, will result in the
16 lowest net effective interest cost on the Bonds to their maturity; however, the Bonds shall
17 not be issued nor may the Purchase Contract be executed by the Authorized Municipal
18 Representative unless there is a present value savings in debt service as a result of the
19 issuance of the Bonds at least equal to 3.0% of the principal amount of the Refunded
20 Bonds.

21 The Authorized Municipal Representative is hereby authorized to execute the
22 Purchase Contract with the Underwriters for the Bonds upon his approval of the details of
23 the Bonds including the designation of the Refunded Bonds and the details referred to in the
24 foregoing paragraph including, but not limited to, the date and the delivery date, the
25 aggregate principal amount and the principal amount of each maturity, the purchase price,
26 the maturity and interest payment dates, the redemption provisions and the interest rate of
27 each maturity, the Underwriters' discount and the true interest cost on the Bonds. The

1 authority granted to the Authorized Municipal Representative by this Section shall expire in
2 270 days from the date of approval of this Ordinance. If the Purchase Contract has not
3 been executed by the Authorized Municipal Representative in accordance with the
4 delegated authority of this Section by said date, the Bonds may only be sold in the manner
5 provided in the following paragraph.

6 The terms of this paragraph apply only if the Authorized Municipal Representative has
7 not entered into a Purchase Contract for the Bonds within 270 days of approval of the
8 Ordinance. The Authorized Municipal Representative is hereby authorized to solicit an offer
9 or offers for the purchase of the Bonds in such manner as he deems appropriate, and
10 thereafter to negotiate a contract for the purchase of the Bonds which is in the best interest
11 of the Municipality, said contract or contracts be executed by the Authorized Municipal
12 Representative after approval of a resolution by the Assembly.

13 The Authorized Municipal Representative is authorized to solicit commitments for a
14 policy of insurance with respect to payment of the interest on and principal of the Bonds and
15 thereafter to accept such commitment from an insurer (the "Bond Insurer") which in his
16 judgment is in the best interest of the Municipality. The Authorized Municipal Representative
17 is further authorized to enter into such agreements with the Bond Insurer related to said
18 policy as are not inconsistent with this Ordinance and, are in his opinion, in the best interest
19 of the Municipality.

20 The Authorized Municipal Representative is authorized to approve the final terms of,
21 and to execute on behalf of the Municipality, an Escrow Agreement. The Authorized
22 Municipal Representative is further authorized to enter into such agreements to purchase
23 Escrow Obligations to effect the refunding of the Refunded Bonds that are not inconsistent
24 with this Ordinance and are, in his opinion and in the opinion of the Financial Advisor, in the
25 best interest of the Municipality.
26
27

1 The Authorized Municipal Representative is authorized to approve the final terms of,
2 and to execute on behalf of the Municipality, a Paying Agent Agreement.

3 The Authorized Municipal Representative is further authorized to review and to
4 approve, on behalf of the Municipality, the preliminary official statement and final official
5 statement relating to the issuance and sale of the Bonds with such changes, if any, as may
6 be deemed by his to be appropriate, including changes necessary in order to evidence
7 compliance with Section (b)(5) of the Rule.

8 Section 23. Authority of Officers. The Mayor, the Municipal Manager, the Chief
9 Fiscal Officer, the Municipal Attorney, the Municipal Clerk, the acting Municipal Clerk, and
10 the Deputy Municipal Clerk from time to time, are, and each of them is, hereby authorized
11 and directed to do and perform all things and determine all matters not determined by this
12 Ordinance, or to be determined by a subsequent ordinance or resolution of the Municipality,
13 to the end that the Municipality may carry out its obligations under the Bonds and this
14 Ordinance.

15 Section 24. Amendatory and Supplemental Ordinances. (a) The Assembly from
16 time to time and at any time may adopt an ordinance or ordinances supplemental hereto,
17 which ordinance or ordinances thereafter shall become a part of this Ordinance, for any one
18 or more of the following purposes:

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

22 (2) To make such provisions for the purpose of curing any ambiguities or of
23 curing, correcting or supplementing any defective provision contained in this Ordinance
24 or in regard to matters or questions arising under this Ordinance as the
25 Assembly may deem necessary or desirable and not inconsistent with this Ordinance
26

1 and which in the opinion of the Municipality's bond counsel shall not materially
2 adversely affect the interests of the registered owners of the Bonds.

3 Any such supplemental ordinance of the Assembly may be adopted without the
4 consent of the registered owner of any of the Bonds at any time outstanding, notwith-
5 standing any of the provisions of subsection (b) of this Section.

6 (b) With the consent of the Bond Insurer or the registered owners of not less than
7 60% in aggregate principal amount of the Bonds at the time outstanding affected by the
8 supplemental ordinance, the Assembly may adopt an ordinance or ordinances supplemental
9 hereto for the purpose of adding any provisions to or changing in any manner or eliminating
10 any of the provisions of this Ordinance or of any supplemental ordinance with respect to the
11 Bonds; provided, however, that no such supplemental ordinance shall:

12 (1) Extend the fixed maturity of any of the Bonds, or reduce the rate of interest
13 thereon, or reduce the amount or change the date of any sinking fund installment, or
14 extend the time of payments of interest from their due date, or reduce the amount of
15 the principal thereof, or reduce any premium payable on the redemption thereof,
16 without the consent of the registered owners of each Bond so affected; or

17 (2) Reduce the aforesaid percentage of registered owners of Bonds required
18 to approve any such supplemental ordinance without the consent of the registered
19 owners of all of the Bonds then outstanding;

20 and provided, further, that if the Bonds are insured any such supplemental ordinance may
21 not be adopted without the prior written consent of the Bond Insurer.

22 It shall not be necessary for the consent of the owners of the Bonds under this
23 subsection to approve the particular form of any proposed supplemental ordinance, but it
24 shall be sufficient if such consent approves the substance thereof.

25 (c) Upon the adoption of any supplemental ordinance pursuant to the provisions of
26 this Section, this Ordinance shall be deemed to be modified and amended in accordance
27

1 therewith, and the respective rights, duties and obligations of the Municipality under this
2 Ordinance and all owners of Bonds outstanding hereunder affected by such supplemental
3 ordinance shall thereafter be determined, exercised and enforced thereunder, subject in all
4 respects to such modification and amendment, and all the terms and conditions of any such
5 supplemental ordinance shall be deemed to be part of the terms and conditions of this
6 Ordinance for any and all purposes.

7 (d) Bonds executed and delivered after the execution of any supplemental ordinance
8 adopted pursuant to the provisions of this Section may bear a notation as to any matter
9 provided for in such supplemental ordinance, and if such supplemental ordinance shall so
10 provide, new Bonds so modified so as to conform, in the opinion of the Municipality, to any
11 modification of this Ordinance contained in any such supplemental ordinance may be
12 prepared by the Municipality and delivered without cost to the registered owners of the
13 Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate
14 principal amounts.

15 Section 25. Prohibited Sale of Bonds. No person, firm or corporation, or any agent
16 or employee thereof, acting as financial consultant to the Municipality under an agreement
17 for payment in connection with the sale of the Bonds, is eligible to purchase the Bonds as
18 a member of the original underwriting syndicate either at public or private sale.

19 Section 26. Miscellaneous. No recourse shall be had for the payment of the principal
20 of or the interest on the Bonds or for any claim based thereon or on this Ordinance against
21 any member of the Assembly or officer of the Municipality or any person executing the
22 Bonds. The Bonds are not and shall not be in any way a debt or liability of the State of
23 Alaska or of any political subdivision thereof, except the Municipality, and do not and shall
24 not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of
25 said State or of any political subdivision thereof, except the Municipality.
26
27


1 Section 27. Undertaking to Provide Ongoing Disclosure. The Municipality will execute
2 a certificate for ongoing disclosure in form and substance satisfactory to the Underwriters,
3 and the Authorized Municipal Representative is hereby authorized and directed to execute
4 such certificate.

5 Section 28. Severability. If any one or more of the covenants and agreements
6 provided in this Ordinance to be performed on the part of the Municipality shall be declared
7 by any court of competent jurisdiction to be contrary to law, then such covenant or
8 covenants, agreement or agreements shall be null and void and shall be deemed separable
9 from the remaining covenants and agreements in this Ordinance and shall in no way affect
10 the validity of the other provisions of this Ordinance or of the Bonds.


11 Section 29. Effective Date. This Ordinance shall take effect immediately.

12 PASSED AND APPROVED by the Anchorage Assembly, this 1st day of

13 March 2005.

14 
15
16 Chairman

16 ATTEST:

17 
18 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 109-2005

Meeting Date: February 15, 2005

1 **From:** Mayor

2
3 **Subject:** AO 2005-31 -- \$71,000,000 2005 General Obligation Refunding Bonds,
4 General Purpose Bonds

5
6 The attached Ordinance No. AO 2005-31 provides for the issuance of not to exceed
7 \$71,000,000 General Obligation Refunding Bonds for previously issued and currently
8 outstanding General Purpose Bonds. Based upon current market interest rates,
9 Refunding Bonds of \$ 29,607,000 would meet or exceed our three percent net present
10 value savings threshold for the bonds to be refunded. The not to exceed amount of
11 \$71,000,000 provides for further market movement of approximately 25 basis points in
12 favor of the Municipality. In the event of a similar market swing in the opposite direction,
13 most of the refunding opportunity would disappear.

14
15 The current schedule for the sale and related matters calls for a public hearing on the
16 ordinance on March 1, 2005. Sale of the bonds is anticipated to take place by the end
17 of March 2005.

18
19 The Chief Fiscal Officer is authorized by Section 22 of the ordinance to negotiate terms
20 for purchase of the bonds and to execute a contract for their purchase in the
21 Municipality's best interest.

22
23 THE ADMINISTRATION RECOMMENDS APPROVAL OF AO NO. 2005-31.

24
25 Recommended by: Jeffrey E. Sinz, Chief Fiscal Officer

26 Concurrence: Denis C. LeBlanc, Municipal Manager

27 Respectfully submitted: Mark Begich, Mayor

Content Information**Content ID :** 002621**Type:** Ordinance - AO**Title:** AO 2005-31 -- \$71,000,000 2005 General Obligation
Refunding Bonds, General Purpose Bonds**Author:** pruittns**Initiating Dept:** Finance**Keywords:** General Purpose, Refunding Bonds,**Date Prepared:** 2/10/05 3:22 PM**Director Name:** Jeffrey E. Sinz**Assembly Meeting Date**
MM/DD/YY: 2/15/05**Public Hearing Date**
MM/DD/YY: 3/1/05M.O.A.
2005 FEB 11 PM 1:34
CLERKS OFFICE**Workflow History**

Workflow Name	Action Date	Action	User	Security Group	Content ID
AllOrdinanceWorkflow	2/10/05 3:27 PM	Checkin	pruittns	Public	002621
Finance_SubWorkflow	2/10/05 5:00 PM	Approve	sinzje	Public	002621
OMB_SubWorkflow	2/11/05 8:58 AM	Approve	pearcydl	Public	002621
Legal_SubWorkflow	2/11/05 12:12 PM	Approve	gatesdt	Public	002621
MuniManager_SubWorkflow	2/11/05 1:04 PM	Approve	leblancdc	Public	002621
MuniMgrCoord_SubWorkflow	2/11/05 1:12 PM	Approve	abbottmk	Public	002621