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Requested by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Cynthia M. Weed, Bond Counsel
K&L Preston Gates Ellis LLP
For Reading: October 14, 2008

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MUNICIPALITY OF ANCHORAGE, ALASKA
ORDINANCE No. AO 2008-108

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$60,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION GENERAL PURPOSE BONDS OF THE MUNICIPALITY FOR THE PURPOSE OF FINANCING THE COSTS OF MAJOR ROOF REPAIR AND MAINTENANCE OF CERTAIN PUBLIC FACILITIES; IMPROVING, RENOVATING, REPLACING AND RENEWING POOL FACILITIES; PUBLIC SAFETY AND TRANSPORTATION IMPROVEMENTS; FIRE RELATED IMPROVEMENTS AND ROAD AND DRAINAGE IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENT PROJECTS IN THE MUNICIPALITY; DELEGATING CERTAIN MATTERS TO THE CHIEF FISCAL OFFICER IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE CHIEF FISCAL OFFICER TO CONFIRM THE MANNER OF SALE OF THE BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE MUNICIPALITY TO THE PAYMENT THEREOF; AND AUTHORIZING AN AMENDMENT TO ORDINANCE NO. AO 2008-3.

WHEREAS, at an election held in the Municipality of Anchorage, Alaska (the "Municipality"), on April 4, 2006, the number and proportion of the qualified electors of the Municipality required by law for the adoption thereof voted in favor of a proposition authorizing the issuance of general obligation bonds of the Municipality in the aggregate principal amount of \$44,150,000 for the purpose of providing funds for roadway improvements, roadway safety improvements, drainage collection, drainage treatment and related capital improvements as authorized by Ordinance No. AO 2006-3(S) of the Municipality (the "2006 Road and Drainage Election Ordinance") passed and approved on January 31, 2006 (the "2006 Road and Drainage Projects"); and

WHEREAS, pursuant to the 2006 Road and Drainage Election Ordinance, the following question was referred to the voters as Proposition 7:

PROPOSITION NO. 7

ANCHORAGE ROADS AND DRAINAGE SERVICE AREA ROAD
AND, STORM DRAINAGE BONDS

Shall Anchorage borrow up to \$44,150,000 through the issuance of general obligation bonds to pay costs of roadway improvements, roadway safety improvements, drainage collection, drainage treatment and related capital improvements and increase the municipal tax cap by an annual amount not to exceed \$748,000 to pay the associated annual operations and maintenance costs?

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2006 assessed valuation in the Anchorage Roads and Drainage Service Area): (i) an annual increase in taxes of approximately \$18.39 to retire the proposed bonds, and (ii) an annual increase necessary to fund the proposed increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$3.78 to pay for annual operations and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Roads and Drainage Service Area. Anchorage will also pledge its full faith and credit for payment of the debt.

(No. AO 2006-3(S))

; and

WHEREAS, at an election held in the Municipality on April 3, 2007, the number and proportion of the qualified electors of the Municipality required by law for the adoption thereof voted in favor of a proposition authorizing the issuance of general obligation bonds of the Municipality in the aggregate principal amount of \$35,550,000 for the purpose of providing funds for streets and roads improvements, streets and roads safety improvements, drainage collection, drainage treatment and related capital improvements authorized by Ordinance No. AO 2007-33 of the Municipality (the "2007 Road and

1 Drainage Election Ordinance”) passed and approved on February 13, 2007 (the “2007
2 Road and Drainage Projects”); and

3 **WHEREAS**, pursuant to the 2007 Road and Drainage Election Ordinance, the following
4 question was referred to the voters as Proposition 6:

5 PROPOSITION NO. 6

6 ANCHORAGE ROADS AND DRAINAGE SERVICE
7 AREA ROAD AND, STORM DRAINAGE BONDS
8

9 For the purpose of providing streets and roads
10 improvements, streets and roads safety improvements,
11 drainage collection, drainage treatment and related capital
12 improvements, shall Anchorage borrow money and issue up
13 to \$35,550,000 in principal amount of general obligation
14 bonds and increase the municipal tax cap by an annual
15 amount not to exceed \$685,000 to pay the associated annual
16 operations and maintenance costs? The proposed capital
17 improvements would be located within the Anchorage Roads
18 and Drainage Service Area. The debt shall be first paid
19 from real and personal property taxes levied and collected
20 within the Anchorage Roads and Drainage Service Area,
21 without cost to properties in Chugiak, Eagle River,
22 Girdwood, and other areas outside the Service Area.
23

24 Anchorage will also pledge its full faith and credit for
25 payment of the debt.
26

27 Voter approval of this bond proposition authorizes for each
28 \$100,000 of assessed taxable property value (based on the
29 estimated 2007 assessed valuation in the Anchorage Roads
30 and Drainage Service Area): (i) an annual increase in taxes
31 of approximately \$12.74 to retire the proposed bonds, and
32 (ii) an annual increase necessary to fund the proposed
33 increase in the municipal tax cap (Charter 14.03(b)(2)) of
34 approximately \$2.99 to pay for annual operations and
35 maintenance costs related to the proposed capital
36 improvements.
37

38 (No. AO 2007-33)

39 ; and

1 **WHEREAS**, at an election held in the Municipality on April 1, 2008, the number and
2 proportion of the qualified electors of the Municipality required by law for the adoption
3 thereof voted in favor of a proposition authorizing the issuance of general obligation bonds
4 of the Municipality in the aggregate principal amount of \$6,900,000 for the purpose of
5 providing funds for renovations and improvements to libraries, Sullivan Arena and the
6 museum authorized by Ordinance No. AO 2008-20(S) of the Municipality (the "2008
7 Public Facility Renovation and Improvement Election Ordinance") passed and approved
8 on February 12, 2008 (the "2008 Public Facility Renovation and Improvement Projects");
9 and

10 **WHEREAS**, pursuant to the 2008 Public Facility Renovation and Improvement Election
11 Ordinance, the following question was referred to the voters as Proposition 1:

12 PROPOSITION NO. 1

13
14 PUBLIC FACILITY MAJOR ROOF REPAIR AND
15 CAPITAL IMPROVEMENT BONDS
16

17 To provide for major roof repair and maintenance of
18 significant public assets, including Anchorage libraries,
19 Sullivan Arena and the existing museum, shall Anchorage
20 issue up to \$6,900,000 in principal amount of general
21 obligation bonds and increase the municipal tax cap by an
22 amount not to exceed \$756,000 to pay annual operations and
23 maintenance costs, including up to \$340,000 as a capital
24 reserve for required repairs? The proposed capital
25 improvements would be located within Anchorage.
26

1 Voter approval of this bond proposition authorizes for each
2 \$100,000 of assessed taxable property value (based on the
3 estimated total 2008 areawide assessed valuation in
4 Anchorage) (i) an annual increase in taxes of approximately
5 \$1.78 to retire the proposed bonds, and (ii) an annual
6 increase in the Municipal Tax Cap (Charter 14.03(b)(2)) of
7 approximately \$2.43 to pay for annual operations and
8 maintenance costs related to the proposed capital
9 improvements.

10
11 The debt shall be paid from real and personal property taxes
12 levied and collected areawide within Anchorage. Anchorage
13 will also pledge its full faith and credit for payment of the
14 bonds.

15
16 (No. AO 2008-20(S))

17 ; and

18 **WHEREAS**, at an election held in the Municipality on April 1, 2008, the number and
19 proportion of the qualified electors of the Municipality required by law for the adoption
20 thereof voted in favor of a proposition authorizing the issuance of general obligation bonds
21 of the Municipality in the aggregate principal amount of \$2,000,000 for the purpose of
22 providing funds for improving, renewing, replacing and renovating pool facilities within
23 the Anchorage Parks and Recreation Service Area authorized by Ordinance
24 No. AO 2007-148(S) of the Municipality (the "2008 Parks and Recreation Election
25 Ordinance") passed and approved on January 29, 2008 (the "2008 Parks and Recreation
26 Projects"); and

27 **WHEREAS**, pursuant to the 2008 Parks and Recreation Election Ordinance, the following
28 question was referred to the voters as Proposition 4:

1 improvements, drainage collection, drainage treatment and related capital improvements
2 authorized by Ordinance No. AO 2008-19 of the Municipality (the "2008 Road and
3 Drainage Election Ordinance") passed and approved on February 12, 2008 (the "2008
4 Road and Drainage Projects"); and

5 **WHEREAS**, pursuant to the 2008 Road and Drainage Election Ordinance, the following
6 question was referred to the voters as Proposition 5:

7 PROPOSITION NO. 5

8 ANCHORAGE ROADS AND DRAINAGE SERVICE
9 AREA ROAD AND STORM DRAINAGE BONDS

10
11 For the purpose of providing streets and roads
12 improvements, streets and roads safety improvements,
13 drainage collection, drainage treatment and related capital
14 improvements, shall Anchorage borrow money and issue up
15 to \$44,800,000 in principal amount of general obligation
16 bonds and increase the municipal tax cap by an annual
17 amount not to exceed \$1,899,000 to pay the associated
18 annual operations and maintenance costs? The proposed
19 capital improvements would be located within the
20 Anchorage Roads and Drainage Service Area. The debt
21 shall be paid from real and personal property taxes levied
22 and collected within the Anchorage Roads and Drainage
23 Service Area.

24
25 Anchorage will also pledge its full faith and credit for
26 payment of the debt.

27
28 Voter approval of this bond proposition authorizes for each
29 \$100,000 of assessed taxable property value (based on the
30 estimated 2008 assessed valuation in the Anchorage Roads
31 and Drainage Service Area): (i) an annual increase in taxes
32 of approximately \$14.70 to retire the proposed bonds, and
33 (ii) an annual increase necessary to fund the proposed
34 increase in the municipal tax cap (Charter 14.03(b)(2)) of
35 approximately \$7.77 to pay for annual operations and
36 maintenance costs related to the proposed capital
37 improvements.

38
39 (No. AO 2008-19)

1 ; and

2 **WHEREAS**, at an election held in the Municipality on April 1, 2008, the number and
3 proportion of the qualified electors of the Municipality required by law for the adoption
4 thereof voted in favor of a proposition authorizing the issuance of general obligation bonds
5 of the Municipality in the aggregate principal amount of \$1,688,000 for the purpose of
6 providing funds for public safety upgrades, including mobile intensive care units,
7 computers for ambulances, replacement of paratransit and service vehicles, transit fleet and
8 facility improvements and related capital improvements authorized by Ordinance
9 No. AO 2008-22 of the Municipality (the "2008 Public Safety Election Ordinance") passed
10 and approved on February 12, 2008 (the "2008 Public Safety Projects"); and

11 **WHEREAS**, pursuant to the 2008 Public Safety Election Ordinance, the following
12 question was referred to the voters as Proposition 6:

13 PROPOSITION NO. 6

14 AREAWIDE PUBLIC SAFETY AND
15 TRANSPORTATION CAPITAL IMPROVEMENT BONDS
16

17 For the purpose of providing public safety upgrades,
18 including acquisition of mobile intensive care units,
19 computers for ambulances, public transportation vehicles,
20 transportation facility improvements and related capital
21 improvements, shall Anchorage issue up to \$1,688,000 in
22 principal amount of general obligation bonds and increase
23 the municipal tax cap by an amount not to exceed \$90,000 to
24 pay annual operations and maintenance costs? The proposed
25 capital improvements would be located within Anchorage.
26

27 Voter approval of this bond proposition authorizes for each
28 \$100,000 of assessed taxable property value (based on the
29 estimated total 2008 areawide assessed valuation in
30 Anchorage) (i) an annual increase in taxes of approximately
31 \$0.44 to retire the proposed bonds, and (ii) an annual
32 increase in the Municipal Tax Cap (Charter 14.03(b)(2)) of
33 approximately \$0.29 to pay for annual operations and

1 maintenance costs related to the proposed capital
2 improvements.

3
4 The debt shall be paid from real and personal property taxes
5 levied and collected areawide within Anchorage. Anchorage
6 will also pledge its full faith and credit for payment of the
7 bonds.

8
9 (No. AO 2008-22)

10 ; and

11 **WHEREAS**, at an election held in the Municipality on April 1, 2008, the number and
12 proportion of the qualified electors of the Municipality required by law for the adoption
13 thereof voted in favor of a proposition authorizing the issuance of general obligation bonds
14 of the Municipality in the aggregate principal amount of \$3,622,000 for the purpose of
15 providing funds for fire protection capital improvements in the Anchorage Fire Service
16 Area authorized by Ordinance No. AO 2008-21 of the Municipality (the "2008 Fire
17 Protection Election Ordinance") passed and approved on February 12, 2008 (the "2008
18 Fire Protection Projects"); and

19 **WHEREAS**, pursuant to the 2008 Fire Protection Election Ordinance, the following
20 question was referred to the voters as Proposition 7:

21 PROPOSITION NO. 7

22
23 ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION BONDS

24
25 For the purpose of providing fire protection capital
26 improvements in the Anchorage Fire Service Area, shall
27 Anchorage borrow money and issue up to \$3,622,000 in
28 principal amount of general obligation bonds and increase
29 the municipal tax cap by an annual amount not to exceed
30 \$1,015,025 to pay the associated annual operations and
31 maintenance costs?

32
33 Voter approval of this bond proposition authorizes for each
34 \$100,000 of assessed taxable property value (based on the

1 estimated 2008 assessed valuation in the Anchorage Fire
2 Service Area): (i) an annual increase in taxes of
3 approximately \$0.99 to retire the proposed bonds, and (ii) an
4 annual increase in the Municipal Tax Cap (Charter
5 14.03(b)(2)) of approximately \$3.47 to pay for annual
6 operations and maintenance costs related to the proposed
7 capital improvements.

8
9 The debt shall be paid from real and personal property taxes
10 levied and collected within the Anchorage Fire Service Area.
11 Anchorage will also pledge its full faith and credit for
12 payment of the bonds.

13
14 (No. AO 2008-21)

15
16 ; and

17 **WHEREAS**, it is deemed necessary and advisable that the Municipality combine the 2006
18 Road and Drainage Projects, the 2007 Road and Drainage Projects, the 2008 Public
19 Facility Renovation and Improvement Projects, the 2008 Parks and Recreation Projects,
20 the 2008 Road and Drainage Projects, the 2008 Public Safety Projects and the 2008 Fire
21 Protection Projects (collectively, the "Projects") and issue and sell such authorized bonds,
22 in the aggregate principal amount of not to exceed \$60,000,000, to provide part of the
23 funds necessary to fund the Projects; and

24 **WHEREAS**, the Home Rule Charter of the Municipality provides in Section 15.03 that the
25 Assembly by ordinance shall provide for the form and manner of sale of bonds and notes
26 including reasonable limitation upon the sale of bonds and notes to financial consultants of
27 the Municipality;

28 **WHEREAS**, the Assembly wishes to delegate authority to the Chief Fiscal Officer to
29 confirm the manner of sale of the Bonds (as herein defined); now, therefore,

30 **THE ANCHORAGE ASSEMBLY ORDAINS:**

1 **Section 1.** Purpose. The purpose of this ordinance is to approve and provide for the
2 issuance and sale of not to exceed \$60,000,000 of general obligation general purpose
3 bonds to provide moneys to pay and reimburse the Municipality for the costs of the
4 Projects, to pay costs of issuance and to fix the form and manner of sale for said general
5 obligation general purpose bonds.

6 **Section 2.** Definitions. As used in this ordinance, the following words shall have the
7 following meanings:

8 *Acquired Obligations* means any of the following securities, if and to the extent the
9 same are at the time legal for investment of funds of the Municipality: (a) any
10 bonds or other obligations which as to principal and interest constitute direct
11 obligations of, or are unconditionally guaranteed as to timely payment by, the
12 United States of America; direct obligations and fully guaranteed certificates of
13 beneficial interest of the Export-Import Bank of the United States; senior debt
14 obligations of the Federal Home Loan Banks; debentures of the Federal Housing
15 Administration; guaranteed mortgage-backed bonds and guaranteed pass-through
16 obligations of the Government National Mortgage Association; guaranteed Title XI
17 financings of the U.S. Maritime Administration; and participation certificates and
18 senior debt obligations of the Federal Home Loan Mortgage Corporation; or
19 (b) any bonds or other obligations of any state of the United States of America or of
20 any agency, instrumentality or local governmental unit of any such state,
21 (1)(A) which are not callable at the option of the obligor prior to maturity,
22 (B) which are callable prior to maturity and the issuer has foregone the right to call
23 the obligations and the obligations are irrevocably escrowed to maturity, or (C) as

1 to which irrevocable instructions have been given to the trustee of such bonds or
2 other obligations by the obligor to give due notice of redemption and to call such
3 bonds for redemption on the date or dates specified in such instructions,
4 (2)(A) which are fully secured as to principal and interest and redemption premium,
5 if any, by a fund consisting only of cash or bonds or other obligations of the
6 character described in clause (a) hereof which fund may be applied only to the
7 payment of such principal of and interest and redemption premium, if any, on such
8 bonds or other obligations on the maturity date or dates thereof or the specified
9 redemption date or dates pursuant to such irrevocable instructions, as appropriate,
10 and (B) the principal of and interest on the bonds and obligations of the character
11 described in clause (a) hereof have been deposited in such fund and, along with any
12 cash on deposit in such fund, are sufficient to pay principal of and interest and
13 redemption premium, if any, on the bonds or other obligations described in this
14 clause (b) on the maturity date or dates thereof or on the redemption date or dates
15 specified in the irrevocable instructions referred to in subclause (1) of this clause
16 (b), as appropriate, and (3) such securities are unconditionally rated Aaa by
17 Moody's Investors Service or unconditionally rated AAA by Standard & Poor's
18 Ratings Services, a Division of The McGraw Hill Companies.

19 ***Approved Bid*** means the winning bid submitted for the Bonds if the Bonds are sold
20 by Competitive Sale.
21

1 **Assembly** means the Municipal Assembly of the Municipality, as the general
2 legislative authority of the Municipality established pursuant to its Home Rule
3 Charter, as the same shall be duly and regularly constituted from time to time.

4 **Authorized Representative of the Municipality** means the Chief Fiscal Officer of
5 the Municipality or her written designee.

6 **Beneficial Owner** means the beneficial owner of all or a portion of a Bond while
7 such Bond is in fully immobilized form.

8 **Bond Insurance Policy** means the municipal bond insurance policy, if any, issued
9 by the Insurer insuring the payment when due of the principal of and interest on the
10 Bonds as provided therein.

11 **Bond Purchase Contract** means, if the Bonds shall be sold by Negotiated Sale, the
12 purchase contract relating to the Bonds between the Municipality and the
13 Underwriter.

14 **Bond Register** means the registration books maintained by the Registrar setting
15 forth the names and addresses of owners of the Bonds in compliance with
16 Section 149 of the Code.

17 **Bonds** mean the Municipality of Anchorage, Alaska [2008][year of issuance]
18 General Obligation Bonds, Series A (General Purpose), dated as of the date of
19 delivery, issued pursuant to this ordinance.

20 **Bond Year** means each one-year period that ends on the date selected by the
21 Municipality. The first and last Bond Years may be short periods. If no day is
22 selected by the Municipality before the earlier of the final maturity date of the
23 Bonds or the date that is five years after the date of issuance of the Bonds, Bond

1 Years end on each anniversary of the date of issue and on the final maturity date of
2 the Bonds.

3 **Chief Fiscal Officer** means the Chief Fiscal Officer of the Municipality or her
4 written designee.

5 **Code** means the federal Internal Revenue Code of 1986, as amended from time to
6 time, and the applicable regulations thereunder.

7 **Competitive Sale** means the process by which the Bonds (or a portion of them) are
8 sold through the public solicitation of bids from underwriting firms.

9 **Debt Service Fund** means the [2008A][year of issuance] General Obligation Debt
10 Service Fund created pursuant to Section 9 hereof.

11 **DTC** means The Depository Trust Company, New York, New York, a limited
12 purpose trust company organized under the laws of the State of New York, as
13 depository for the Bonds pursuant to Section 3 hereof.

14 **Election Ordinances** mean, collectively, the 2006 Road and Drainage Election
15 Ordinance, the 2007 Road and Drainage Election Ordinance, the 2008 Public
16 Facility Renovation and Improvement Election Ordinance, the 2008 Parks and
17 Recreation Election Ordinance, the 2008 Road and Drainage Election Ordinance,
18 the 2008 Public Safety Election Ordinance and the 2008 Fire Protection Election
19 Ordinance.

20 **Insurer** means the municipal bond insurance company, if any, specified in the
21 Approved Bid and/or Bond Purchase Contract, as issuer of a Bond Insurance Policy
22 for all or any maturity(ies) of the Bonds.

1 **Letter of Representations** means a blanket issuer letter of representations from the
2 Municipality to DTC.

3 **MSRB** means the Municipal Securities Rulemaking Board or any successor to its
4 functions.

5 **Municipality** means the Municipality of Anchorage created upon ratification of the
6 Home Rule Charter after the election thereon held on September 9, 1975, and the
7 successor thereunder to the City of Anchorage, the City of Glen Alps, the City of
8 Girdwood and the Greater Anchorage Area Borough, former municipal
9 corporations of the State of Alaska.

10 **Negotiated Sale** means the process by which the Bonds are sold by negotiation to
11 one or more underwriting firms selected by the Authorized Representative of the
12 Municipality.

13 **Net Proceeds**, when used with reference to the Bonds, means the principal amount
14 of the Bonds, plus accrued interest and original issue premium, if any, and less
15 original issue discount.

16 **NRMSIR** means a nationally recognized municipal securities information
17 repository.

18 **Official Notice of Sale and Bid Form** means, if the Bonds shall be sold by
19 Competitive Sale, the notice of bond sale and bid form authorized to be given in
20 Section 12 of this ordinance.

21 **Official Statement** means the Official Statement of the Municipality pertaining to
22 the sale of the Bonds, in either preliminary or final form.

1 **Paying Agent Agreement** means the Agreement between the Municipality and the
2 Paying Agent relating to the Bonds.

3 **Private Person** means any natural person engaged in a trade or business or any
4 trust, estate, partnership, association, company or corporation.

5 **Private Person Use** means the use of property in a trade or business by a Private
6 Person if such use is other than as a member of the general public. Private Person
7 Use includes ownership of the property by the Private Person as well as other
8 arrangements that transfer to the Private Person the actual or beneficial use of the
9 property (such as a lease, management or incentive payment contract or other
10 special arrangement) in such a manner as to set the Private Person apart from the
11 general public. Use of property as a member of the general public includes
12 attendance by the Private Person at municipal meetings or business rental of
13 property to the Private Person on a day-to-day basis if the rental paid by such
14 Private Person is the same as the rental paid by any Private Person who desires to
15 rent the property. Use of property by nonprofit community groups or community
16 recreational groups is not treated as Private Person Use if such use is incidental to
17 the governmental uses of property, the property is made available for such use by
18 all such community groups on an equal basis and such community groups are
19 charged only a *de minimis* fee to cover custodial expenses.

20 **Project Account** means the “[2008A][year of issuance] Project Construction
21 Account,” including the subaccounts therein authorized to be created pursuant to
22 Section 14 of this ordinance for the purpose of holding proceeds of the Bonds
23 received by the Municipality.

1 **Projects** mean, collectively, the 2006 Road and Drainage Projects, the 2007 Road
2 and Drainage Projects, the 2008 Public Facility Renovation and Improvement
3 Projects, the 2008 Parks and Recreation Projects, the 2008 Road and Drainage
4 Projects, the 2008 Public Safety Projects and the 2008 Fire Protection Projects.

5 **Registered Owner** means the person named as the registered owner of a Bond in
6 the Bond Register. For so long as the Bonds are held in book-entry only form,
7 DTC shall be deemed to be the sole Registered Owner.

8 **Registrar** means the authenticating agent, paying agent and registrar appointed
9 from time to time by the Authorized Representative of the Municipality, for the
10 purposes of registering and authenticating the Bonds, maintaining the Bond
11 Register, effecting transfer of ownership of the Bonds and paying interest on and
12 principal of the Bonds.

13 **Rule** means the SEC's Rule 15c2-12 under the Securities Exchange Act of 1934, as
14 the same may be amended from time to time.

15 **SEC** means the Securities and Exchange Commission.

16 **SID** means a state information depository for the state of Alaska.

17 **2006 Road and Drainage Election Ordinance** means Ordinance
18 No. AO 2006-3(S) of the Municipality passed and approved on January 31, 2006.

19 **2006 Road and Drainage Projects** mean the roadway improvements, roadway
20 safety improvements, drainage collection, drainage treatment and related capital
21 improvements as authorized by Ordinance No. AO 2006-3(S) of the Municipality
22 passed and approved on January 31, 2006 and approved by the electors at an
23 election held on April 4, 2006.

1 **2007 Road and Drainage Election Ordinance** means Ordinance No. AO 2007-33
2 of the Municipality passed and approved on February 13, 2007.

3 **2007 Road and Drainage Projects** mean the streets and roads improvements,
4 streets and roads safety improvements, drainage collection, drainage treatment and
5 related capital improvements authorized by Ordinance No. AO 2007-33 of the
6 Municipality passed and approved on February 13, 2007 and approved by the
7 electors at an election held on April 3, 2007.

8 **2008 Fire Protection Election Ordinance** means Ordinance No. AO 2008-21 of
9 the Municipality passed and approved on February 12, 2008.

10 **2008 Fire Protection Projects** mean the fire protection capital improvements to be
11 located within the Anchorage Fire Service Area as authorized by Ordinance
12 No. AO 2008-21 of the Municipality passed and approved on February 12, 2008
13 and approved by the electors at an election held on April 1, 2008.

14 **2008 Parks and Recreation Election Ordinance** means Ordinance
15 No. AO 2007-148(S) of the Municipality passed and approved on January 29,
16 2008.

17 **2008 Parks and Recreation Projects** mean the improvement, renewal, replacement
18 and renovation of pool facilities at Bartlett High School, Dimond High School, East
19 High School, Service High School and West High School authorized by Ordinance
20 No. AO 2007-148(S) of the Municipality passed and approved on January 29, 2008
21 and approved by the electors at an election held on April 1, 2008.

1 **2008 Public Facility Renovation and Improvement Election Ordinance** means
2 Ordinance No. AO 2008-20(S) of the Municipality passed and approved on
3 February 12, 2008.

4 **2008 Public Facility Renovation and Improvement Projects** mean the public
5 facilities renovations and improvements to libraries, Sullivan Arena and the
6 museum as authorized by Ordinance No. AO 2008-20(S) of the Municipality
7 passed and approved on February 12, 2008 and approved by the electors at an
8 election held on April 1, 2008.

9 **2008 Public Safety Election Ordinance** means Ordinance No. AO 2008-22 of the
10 Municipality passed and approved on February 12, 2008.

11 **2008 Public Safety Projects** mean the public safety upgrades, including acquisition
12 of mobile intensive care units, computers for ambulances, replacement of
13 paratransit and service vehicles, transit fleet and facility improvements, and related
14 capital improvements authorized by Ordinance No. AO 2008-22 of the
15 Municipality passed and approved on February 12, 2008 and approved by the
16 electors at an election held on April 1, 2008.

17 **2008 Road and Drainage Election Ordinance** means Ordinance No. AO 2008-19
18 of the Municipality passed and approved on February 12, 2008.

19 **2008 Road and Drainage Projects** mean the streets and roads improvements,
20 streets and roads safety improvements, drainage collection, drainage treatment and
21 related capital improvements authorized by Ordinance No. AO 2008-19 of the
22 Municipality passed and approved on February 12, 2008 and approved by the
23 electors at an election held on April 1, 2008.

1 **Term Bonds** means the portion of the Bonds, if any, designated as “Term Bonds”
2 in the Bond Purchase Contract or the Approved Bid for such Bonds.

3 **Underwriter** means the initial purchaser or representative of the purchasers (if more
4 than one firm acts collectively with one or more additional underwriting firms) of
5 the Bonds.

6 **Rules of Interpretation.** In this ordinance, unless the context otherwise requires:

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

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

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

18 (d) Any headings preceding the text of the several articles and sections of this
19 ordinance, and any table of contents or marginal notes appended to copies
20 hereof, shall be solely for convenience of reference and shall not constitute
21 a part of this ordinance, nor shall they affect its meaning, construction or
22 effect; and

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

Section 3. Authorization and Purpose of Bonds. The Municipality shall now issue and sell not to exceed \$60,000,000 of unlimited tax general obligation general purpose bonds authorized by the qualified electors of the Municipality at special elections held on April 4, 2006, April 3, 2007 and April 1, 2008, respectively (the "Bonds"). The Bonds shall be issued to fund the costs of the following projects (each, a "voter authorization"):

<u>Projects</u>	<u>Maximum Dollar Amount to be Issued</u>
2006 Road and Drainage Projects (2006 Prop.7)	\$ 9,692,000
2007 Road and Drainage Projects (2007 Prop. 6)	15,830,000
2008 Public Facility Renovation and Improvement Projects (2008 Prop. 1)	1,500,000
2008 Parks and Recreation Projects (2008 Prop. 4)	500,000
2008 Road and Drainage Projects (2008 Prop. 5)	28,690,000
2008 Public Safety Projects (2008 Prop. 6)	1,438,000
2008 Fire Protection Projects (2008 Prop. 7)	2,350,000

The Authorized Representative of the Municipality shall determine the final dollar amount of Bonds to be issued within each of the above voter authorizations to be set forth in the Bond Purchase Contract if the Bonds are sold by Negotiated Sale, or in the Official Notice of Sale if the Bonds are sold by Competitive Sale, hereinafter authorized and the aggregate principal amount of Bonds shall be determined by the Authorized Representative of the Municipality, pursuant to the authority granted in Section 12 of this ordinance.

1 **Section 4.** Bond Details. The Bonds shall be designated the “Municipality of
2 Anchorage, Alaska [2008][year of issuance] General Obligation Bonds, Series A (General
3 Purpose)” (the “Bonds”), shall be dated as of the date of original issuance and delivery,
4 shall be fully registered as to both principal and interest, shall be in the denomination of
5 \$5,000 each or any integral multiple thereof, provided that no Bond shall represent more
6 than one maturity, shall be numbered separately in such manner and with any additional
7 designation as the Registrar deems necessary for purposes of identification and control,
8 and shall bear interest payable semiannually until the Bonds bearing such interest have
9 been paid or their payment duly provided for. The Bonds shall be issued in the aggregate
10 principal amount, shall bear interest at the per annum rates, payable on the interest
11 payment dates and shall mature in the principal amounts on the principal payment dates set
12 forth in the Approved Bid or the Bond Purchase Contract and as approved by the
13 Authorized Representative of the Municipality pursuant to Section 12 of this ordinance.

14 **Section 5.** Registration.

15 (a) *Registrar/Bond Register.* The Authorized Representative of the
16 Municipality is hereby authorized to appoint an authenticating agent, paying
17 agent and registrar for the Bonds (the “Registrar”) and to enter into a Paying
18 Agent Agreement with the Registrar pursuant to which the Registrar will
19 perform the duties specified for the Registrar under this ordinance and hold
20 and invest certain funds (Bond proceeds and debt service money) from time
21 to time. The form of the Paying Agent Agreement shall be subject to the
22 approval of the Authorized Representative of the Municipality, which
23 approval shall be presumed upon the execution thereof by the Authorized

1 Representative of the Municipality. So long as any Bonds remain
2 outstanding, the Registrar shall make all necessary provisions to permit the
3 exchange or registration of transfer of Bonds at its principal corporate trust
4 office. The Registrar may be removed at any time at the option of the
5 Authorized Representative of the Municipality upon prior notice to the
6 Registrar, DTC, each entity entitled to receive notice pursuant to
7 Section 15, and a successor Registrar appointed by the Authorized
8 Representative of the Municipality. No resignation or removal of the
9 Registrar shall be effective until a successor shall have been appointed and
10 until the successor Registrar shall have accepted the duties of the Registrar
11 hereunder. The Registrar is authorized, on behalf of the Municipality, to
12 authenticate and deliver Bonds transferred or exchanged in accordance with
13 the provisions of such Bonds and this ordinance and to carry out all of the
14 Registrar's powers and duties under this ordinance. The Registrar shall be
15 responsible for its representations contained in the Certificate of
16 Authentication on the Bonds.

- 17 (b) *Registered Ownership.* The Municipality and the Registrar, each in its
18 discretion, may deem and treat the Registered Owner of each Bond as the
19 absolute owner thereof for all purposes (except as provided in Section 15 of
20 this ordinance), and neither the Municipality nor the Registrar shall be
21 affected by any notice to the contrary. Payment of any such Bond shall be
22 made only as described in Section 5(h) hereof, but such Bond may be
23 transferred as herein provided. All such payments made as described in

1 Section 5(h) shall be valid and shall satisfy and discharge the liability of the
2 Municipality upon such Bond to the extent of the amount or amounts so
3 paid.

4 (c) *DTC Acceptance/Letter of Representations.* To induce DTC to accept the
5 Bonds as eligible for deposit at DTC, the Municipality has executed and
6 delivered to DTC a Letter of Representations.

7 Neither the Municipality nor the Registrar will have any responsibility or obligation
8 to DTC participants or the persons for whom they act as nominees (or any successor
9 depository) with respect to the Bonds in respect of the accuracy of any records maintained
10 by DTC (or any successor depository) or any DTC participant, the payment by DTC (or
11 any successor depository) or any DTC participant of any amount in respect of the principal
12 of or interest on Bonds, any notice which is permitted or required to be given to Registered
13 Owners under this ordinance (except such notices as shall be required to be given by the
14 Municipality to the Registrar or to DTC (or any successor depository), or any consent
15 given or other action taken by DTC (or any successor depository) as the Registered Owner.
16 For so long as any Bonds are held in fully-immobilized form hereunder, DTC or its
17 successor depository shall be deemed to be the Registered Owner for all purposes
18 hereunder (except as provided in Section 15), and all references herein to the Registered
19 Owners shall mean DTC (or any successor depository) or its nominee and shall not mean
20 the owners of any beneficial interest in such Bonds.

21 If any Bond shall be duly presented for payment and funds have not been duly
22 provided by the Municipality on such applicable date, then interest shall continue to accrue

1 thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is
2 paid.

3 (d) *Use of Depository.*

4 (1) The Bonds shall be registered initially in the name of
5 "CEDE & Co.", as nominee of DTC, with one Bond maturing on
6 each of the maturity dates for the Bonds in a denomination
7 corresponding to the total principal therein designated to mature on
8 such date. Registered ownership of such immobilized Bonds, or any
9 portions thereof, may not thereafter be transferred except (A) to any
10 successor of DTC or its nominee, provided that any such successor
11 shall be qualified under any applicable laws to provide the service
12 proposed to be provided by it; (B) to any substitute depository
13 appointed by the Authorized Representative of the Municipality
14 pursuant to subsection (2) below or such substitute depository's
15 successor; or (C) to any person as provided in subsection (4) below.

16 (2) Upon the resignation of DTC or its successor (or any substitute
17 depository or its successor) from its functions as depository or a
18 determination by the Authorized Representative of the Municipality
19 to discontinue the system of book-entry transfers through DTC or its
20 successor (or any substitute depository or its successor), the
21 Authorized Representative of the Municipality may hereafter
22 appoint a substitute depository. Any such substitute depository shall

1 be qualified under any applicable laws to provide the services
2 proposed to be provided by it.

3 (3) In the case of any transfer pursuant to clause (A) or (B) of
4 subsection (1) above, the Registrar shall, upon receipt of all
5 outstanding Bonds, together with a written request from the
6 Authorized Representative of the Municipality, issue a single new
7 Bond for each maturity then outstanding, registered in the name of
8 such successor or such substitute depository, or their nominees, as
9 the case may be, all as specified in such written request of the
10 Authorized Representative of the Municipality.

11 (4) In the event that (A) DTC or its successor (or substitute depository
12 or its successor) resigns from its functions as depository, and no
13 substitute depository can be obtained, or (B) the Authorized
14 Representative of the Municipality determines that it is in the best
15 interest of the Beneficial Owners of the Bonds that such owners be
16 able to obtain such Bonds in the form of Bond certificates, the
17 ownership of such Bonds may then be transferred to any person or
18 entity as herein provided, and shall no longer be held in
19 fully-immobilized form. The Authorized Representative of the
20 Municipality shall deliver a written request to the Registrar, together
21 with a supply of definitive Bonds, to issue Bonds as herein provided
22 in any authorized denomination. Upon receipt by the Registrar of
23 all then outstanding Bonds together with a written request on behalf

1 of the Assembly to the Registrar, new Bonds shall be issued in the
2 appropriate denominations and registered in the names of such
3 persons as are requested in such written request.

4 (e) *Registration of Transfer of Ownership or Exchange; Change in*
5 *Denominations.* The transfer of any Bond may be registered and Bonds
6 may be exchanged, but no transfer of any such Bond shall be valid unless
7 such Bond is surrendered to the Registrar with the assignment form
8 appearing on such Bond duly executed by the Registered Owner or such
9 Registered Owner's duly authorized agent in a manner satisfactory to the
10 Registrar. Upon such surrender, the Registrar shall cancel the surrendered
11 Bond and shall authenticate and deliver, without charge to the Registered
12 Owner or transferee therefor, a new Bond (or Bonds at the option of the
13 new Registered Owner) of the same date, maturity, redemption provisions
14 and interest rate and for the same aggregate principal amount in any
15 authorized denomination, naming as Registered Owner the person or
16 persons listed as the assignee on the assignment form appearing on the
17 surrendered Bond, in exchange for such surrendered and cancelled Bond.
18 Any Bond may be surrendered to the Registrar and exchanged, without
19 charge, for an equal aggregate principal amount of Bonds of the same date,
20 maturity, redemption provisions and interest rate, in any authorized
21 denomination. The Registrar shall not be obligated to register the transfer
22 or to exchange any Bond during the 15 days preceding the date any such
23 Bond is to be redeemed.

1 (f) *Registrar's Ownership of Bonds.* The Registrar may become the Registered
2 Owner of any Bond with the same rights it would have if it were not the
3 Registrar, and to the extent permitted by law, may act as depository for and
4 permit any of its officers or directors to act as member of, or in any other
5 capacity with respect to, any committee formed to protect the right of the
6 Registered Owners of Bonds.

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

11 (h) *Place and Medium of Payment.* Both principal of and interest on the Bonds
12 shall be payable in lawful money of the United States of America. Interest
13 on the Bonds shall be calculated on the basis of a 360-day year and twelve
14 30-day months. For so long as all Bonds are in fully immobilized form,
15 payments of principal and interest shall be made as provided in accordance
16 with the operational arrangements of DTC referred to in the Letter of
17 Representations.

18 In the event that the Bonds are no longer in fully immobilized form, interest on the
19 Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for
20 such Registered Owners appearing on the Bond Register on the 15th day of the month
21 preceding the interest payment date, and principal of the Bonds shall be payable upon
22 presentation and surrender of such Bonds by the Registered Owners at the principal office
23 of the Registrar; provided, however, that if so requested in writing by the Registered

Owner of at least \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 6. **Redemption and Purchase of Bonds.**

(a) *Optional Redemption.* The Bonds shall be subject to optional redemption on the dates, at the price of par, and under the terms set forth in the Approved Bid or the Bond Purchase Contract approved by the Authorized Representative of the Municipality pursuant to Section 12.

(b) *Mandatory Redemption.* The Bonds shall be subject to mandatory redemption to the extent, if any, set forth in the Approved Bid or the Bond Purchase Contract and as approved by the Authorized Representative of the Municipality pursuant to Section 12.

(c) *Purchase of Bonds for Retirement.* The Municipality reserves the right to purchase any of the Bonds offered to the Municipality at any price deemed reasonable to the Authorized Representative of the Municipality.

(d) *Effect of Optional Redemption/Purchase.* To the extent that the Municipality shall have optionally redeemed or purchased any Term Bonds prior to their scheduled mandatory redemption of such Term Bonds, the Municipality may reduce the principal amount of the Term Bonds to be redeemed in like aggregate principal amount. Such reduction may be applied in the year specified by the Authorized Representative of the Municipality.

(e) *Selection of Bonds for Redemption.* As long as the Bonds are held in book-entry only form, the selection of Bonds within a maturity to be redeemed

1 shall be made in accordance with the operational arrangements in effect at
2 DTC. If the Bonds are no longer held in uncertificated form, the selection
3 of such Bonds within a maturity to be redeemed shall be made as provided
4 in this subsection (e). If the Municipality redeems at any one time fewer
5 than all of the Bonds having the same maturity date, the particular Bonds or
6 portions of Bonds of such maturity to be redeemed shall be selected by lot
7 (or in such other manner determined by the Registrar) in increments of
8 \$5,000. In the case of a Bond of a denomination greater than \$5,000, the
9 Municipality and Registrar shall treat each Bond as representing such
10 number of separate Bonds each of the denomination of \$5,000 as is
11 obtained by dividing the actual principal amount of such Bond by \$5,000.
12 In the event that only a portion of the principal sum of a Bond is redeemed,
13 upon surrender of the such Bond at the principal office of the Registrar
14 there shall be issued to the Registered Owner, without charge therefor, for
15 the then unredeemed balance of the principal sum thereof, at the option of
16 the Registered Owner, a Bond or Bonds of like maturity and interest rate in
17 any of the denominations herein authorized. If Bonds are called for
18 optional redemption, portions of the principal amount of such Bonds, in
19 installments of \$5,000 or any integral multiple of \$5,000, may be redeemed.
20 If less than all of the principal amount of any Bond is redeemed, upon
21 surrender of such Bond at the principal office of the Registrar there shall be
22 issued to the registered owner, without charge therefor, for the then
23 unredeemed balance of the principal amount thereof, a new Bond or Bonds,

1 at the option of the Registered Owner, of like maturity and interest rate in
2 any denomination authorized by this ordinance.

3 (f) *Notice of Redemption*

4 (1) Official Notice. Unless waived by any owner of Bonds to be
5 redeemed, official notice of any such redemption (which notice may
6 be conditional) shall be given by the Registrar on behalf of the
7 Municipality by mailing a copy of an official redemption notice by
8 first class mail at least 30 days and not more than 60 days prior to
9 the date fixed for redemption to the Registered Owner of the Bond
10 or Bonds to be redeemed at the address shown on the Bond Register
11 or at such other address as is furnished in writing by such registered
12 owner to the Registrar.

13 All official notices of redemption shall be dated and shall state:

14 (A) the redemption date,

15 (B) the redemption price,

16 (C) if fewer than all outstanding Bonds are to be redeemed, the
17 identification by maturity (and, in the case of partial
18 redemption, the respective principal amounts) of the Bonds
19 to be redeemed,

20 (D) that on the redemption date the redemption price will
21 become due and payable upon each such Bond or portion
22 thereof called for redemption, and that interest thereon shall
23 cease to accrue from and after said date, and

1 (E) the place where such Bonds are to be surrendered for
2 payment of the redemption price, which place of payment
3 shall be the principal office of the Registrar.

4 On or prior to any redemption date, the Municipality shall deposit with the
5 Registrar an amount of money sufficient to pay the redemption price of all the Bonds or
6 portions of Bonds which are to be redeemed on that date.

7 (2) Effect of Notice; Bonds Due. If an unconditional notice of
8 redemption has been given, the Bonds or portions of Bonds so to be
9 redeemed shall, on the redemption date, become due and payable at
10 the redemption price therein specified, and from and after such date
11 (unless the Municipality shall default in the payment of the
12 redemption price) such Bonds or portions of Bonds shall cease to
13 bear interest. Upon surrender of such Bonds for redemption in
14 accordance with said notice, such Bonds shall be paid by the
15 Registrar at the redemption price. Installments of interest due on or
16 prior to the redemption date shall be payable as herein provided for
17 payment of interest. Upon surrender for any partial redemption of
18 any Bond, there shall be prepared for the Registered Owner a new
19 Bond or Bonds of the same maturity in the amount of the unpaid
20 principal. All Bonds which have been redeemed shall be canceled
21 and destroyed by the Registrar and shall not be reissued.

22 (3) Additional Notice. In addition to the foregoing notice, further notice
23 shall be given by the Municipality as set out below, but no defect in

1 said further notice nor any failure to give all or any portion of such
2 further notice shall in any manner defeat the effectiveness of a call
3 for redemption if notice thereof is given as above prescribed. Each
4 further notice of redemption given hereunder shall contain the
5 information required above for an official notice of redemption plus
6 (A) the CUSIP numbers of all Bonds being redeemed; (B) the date
7 of issue of the Bonds as originally issued; (C) the rate of interest
8 borne by each Bond being redeemed; (D) the maturity date of each
9 Bond being redeemed; and (E) any other descriptive information
10 needed to identify accurately the Bonds being redeemed. Each
11 further notice of redemption may be sent at least 35 days before the
12 redemption date to the Insurer, if any, each party entitled to receive
13 notice pursuant to Section 15, and to the underwriter specified in the
14 Approved Bid and/or the Bond Purchase Contract or to its business
15 successor, if any, and to such persons and with such additional
16 information as the Authorized Representative of the Municipality
17 shall deem appropriate, but such mailings shall not be a condition
18 precedent to the redemption of such Bonds.

- 19 (4) Upon the payment of the redemption price of Bonds being
20 redeemed, each check or other transfer of funds issued for such
21 purpose shall bear the CUSIP number identifying, by issue and
22 maturity, the Bonds being redeemed with the proceeds of such check
23 or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 6, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

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

[STATEMENT OF INSURANCE]

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF ALASKA

MUNICIPALITY OF ANCHORAGE

[2008][year of issuance] GENERAL OBLIGATION BOND, SERIES A (GENERAL PURPOSE)

INTEREST RATE:

MATURITY DATE:

CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The MUNICIPALITY OF ANCHORAGE, ALASKA (the "Municipality"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, [2008][year of issuance], or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on the first days of each _____ and _____, commencing on _____ 1, 20___. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the Municipality to DTC.

1 _____ is acting as the registrar, authenticating agent and paying agent
2 for the bonds of this issue (the "Registrar").

3 This bond is one of an authorized issue of bonds of like date and tenor, except as to
4 number, amount, rate of interest and date of maturity, in the aggregate principal amount of
5 \$_____ (the "Bonds"), and is issued pursuant to Ordinance No. AO _____
6 (the "Bond Ordinance") approved by the Assembly on _____, 2008 to provide funds
7 for capital improvements to facilities of the Municipality as authorized by ordinances of
8 the Assembly and approved by the qualified electors of the Municipality at elections held
9 therein on April 4, 2006, April 3, 2007 and April 1, 2008. Capitalized terms used in this
10 bond and not otherwise defined shall have the meanings given them in the Bond
11 Ordinance.

12 The bonds of this issue are subject to redemption prior to their stated maturities as
13 stated in the official notice of sale for the Bonds.

14 The bonds of this issue are issued under and in accordance with the provisions of
15 the Constitution and applicable statutes of the state of Alaska and ordinances and
16 resolutions duly adopted by the Assembly of the Municipality, including the Bond
17 Ordinance.

18 The bonds of this issue are not "private activity bonds" as such term is defined in
19 the Internal Revenue Code of 1986, as amended (the "Code"). The bonds of this issue are
20 not "qualified tax-exempt obligations" under Section 265(b) of the Code for banks, thrift
21 institutions and other financial institutions.

22 The Municipality hereby irrevocably covenants that it will levy taxes annually upon
23 all the taxable property in the Municipality without limitation as to rate or amount and in
24 amounts sufficient, with other monies legally available therefor, to pay the principal of and
25 interest on the bonds of this issue as the same shall become due. The full faith, credit and
26 resources of the Municipality are hereby irrevocably pledged for the annual levy and
27 collection of such taxes and the prompt payment of such principal and interest. The pledge
28 of tax levies may be discharged prior to maturity of the bonds by making provision for the
29 payment thereof on the terms and conditions set forth in the Bond Ordinance.

30 This bond shall not be valid or become obligatory for any purpose or be entitled to
31 any security or benefit under the Bond Ordinance until the Certificate of Authentication
32 hereon shall have been manually signed by or on behalf of the Registrar.

33 It is hereby certified that all acts, conditions and things required by the Constitution
34 and statutes of the state of Alaska to exist, to have happened, been done and performed
35 precedent to and in the issuance of this bond have happened, been done and performed and
36 that the issuance of this bond and the bonds of this issue does not violate any
37 constitutional, statutory or other limitation upon the amount of bonded indebtedness that
38 the Municipality may incur.

1 IN WITNESS WHEREOF, the Municipality of Anchorage, Alaska has caused this
2 bond to be executed by the manual or facsimile signatures of the [Mayor][Municipal
3 Manager], attested by the [Deputy] Clerk and a facsimile of the seal of the Municipality to
4 be reproduced, imprinted or impressed hereon as of this ____ day of ____, [2008][year
5 of issuance].

6 MUNICIPALITY OF ANCHORAGE,
7 ALASKA
8
9

10 By ____ /s/ facsimile signature
11 [Mayor][Municipal Manager]
12

13 ATTEST:
14

15 ____ /s/ facsimile signature
16 [Deputy] Clerk
17

18 The Registrar's Certificate of Authentication on the Bonds shall be in substantially
19 the following form:

20 CERTIFICATE OF AUTHENTICATION

21 Date of Authentication:
22

23 This bond is one of the bonds described in the within-mentioned Bond Ordinance
24 and is one of the Municipality of Anchorage, Alaska [2008][year of issuance] General
25 Obligation Bonds, Series A (General Purpose), dated ____, [2008][year of
26 issuance].

27 _____ as Registrar
28
29

30 By ____
31 Authorized Signer

32 **Section 8.** Execution of Bonds. The Bonds shall be executed on behalf of the
33 Municipality with the manual or facsimile signatures of the Mayor or Municipal Manager,
34 shall be attested by the Clerk or the Deputy Clerk, and the seal of the Municipality shall be
35 impressed, imprinted or otherwise reproduced on each Bond.

1 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
2 hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for
3 any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication
4 shall be conclusive evidence that the Bonds so authenticated have been duly executed,
5 authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

6 In case either of the officers who shall have executed the Bonds shall cease to be an
7 officer or officers of the Municipality before the Bonds so signed shall have been
8 authenticated or delivered by the Registrar, or issued by the Municipality, such Bonds may
9 nevertheless be authenticated, delivered and issued and upon such authentication, delivery
10 and issuance, shall be as binding upon the Municipality as though those who signed the
11 same had continued to be such officers of the Municipality. Any Bond also may be signed
12 and attested on behalf of the Municipality by such persons who are at the actual date of
13 delivery of such Bond the proper officers of the Municipality although at the original date
14 of such Bond any such person shall not have been such officer of the Municipality.

15 **Section 9.** Pledge of Taxes and Credit. For the purpose of paying debt service on the
16 Bonds, the Assembly hereby authorizes the creation of a fund to be designated as the
17 [2008A][year of issuance] General Obligation Debt Service Fund (the “Debt Service
18 Fund”) into which the Municipality shall cause to be deposited on or before the date due
19 amounts sufficient to pay the principal of and interest on the Bonds as it comes due. The
20 Municipality hereby irrevocably covenants that, unless the principal of and interest on the
21 Bonds are paid from other sources, it will make annual levies of taxes without limitation as
22 to rate or amount upon all of the property in the Municipality subject to taxation in
23 amounts sufficient to pay such principal and interest as the same shall become due. The

1 full faith, credit and resources of the Municipality are hereby irrevocably pledged for the
2 annual levy and collection of such taxes and for the prompt payment of such principal and
3 interest.

4 **Section 10.** Defeasance. In the event that money and/or Acquired Obligations,
5 maturing at such time or times and bearing interest to be earned thereon in amounts
6 (together with such money, if necessary) sufficient to redeem and retire part or all of the
7 Bonds in accordance with their terms, are set aside in a special account of the Municipality
8 to effect such redemption and retirement, and such monies and the principal of and interest
9 on such Acquired Obligations are irrevocably set aside and pledged for such purpose, then
10 no further payments need be made into the Debt Service Fund of the Municipality for the
11 payment of the principal of and interest on the Bonds so provided for, and such Bonds
12 shall cease to be entitled to any lien, benefit or security of this ordinance except the right to
13 receive the monies so set aside and pledged, and such Bonds shall be deemed not to be
14 outstanding hereunder.

15 Within 60 days of any defeasance of Bonds the Registrar shall provide notice of
16 defeasance of Bonds to Registered Owners and to each party entitled to receive notice
17 pursuant to Section 15.

18 **Section 11.** Tax Covenants.

19 (a) *Arbitrage Covenant.* The Municipality hereby covenants that it will not
20 make any use of the proceeds of sale of the Bonds or any other funds of the
21 Municipality which may be deemed to be proceeds of such Bonds pursuant
22 to Section 148 of the Code which will cause the Bonds to be “arbitrage
23 bonds” within the meaning of said section and said regulations. The

1 Municipality will comply with the requirements of Section 148 of the Code
2 (or any successor provision thereof applicable to the Bonds) and the
3 applicable regulations thereunder throughout the term of the Bonds.

4 (b) *Private Person Use Limitation for Bonds.* The Municipality covenants that
5 for as long as the Bonds are outstanding, it will not permit:

- 6 (1) More than 10% of the Net Proceeds of the Bonds to be used for any
7 Private Person Use; and
8 (2) More than 10% of the principal or interest payments on the Bonds in
9 a bond year to be directly or indirectly: (A) secured by any interest
10 in property used or to be used for any Private Person Use or secured
11 by payments in respect of property used or to be used for any Private
12 Person Use, or (B) derived from payments (whether or not made to
13 the Municipality) in respect of property, or borrowed money, used
14 or to be used for any Private Person Use.

15 The Municipality further covenants that, if:

- 16 (3) More than five percent of the Net Proceeds of the Bonds are to be
17 used for any Private Person Use; and
18 (4) More than five percent of the principal or interest payments on the
19 Bonds in a bond year are (under the terms of this ordinance or any
20 underlying arrangement) directly or indirectly: (A) secured by any
21 interest in property used or to be used for any Private Person Use or
22 secured by payments in respect of property used or to be used for
23 any Private Person Use, or (B) derived from payments (whether or

1 not made to the Municipality) in respect of property, or borrowed
2 money, used or to be used for any Private Person Use, then, (A) any
3 Private Person Use of the Projects described in subsection (3) hereof
4 or Private Person Use payments described in subsection (4) hereof
5 that is in excess of the five percent limitations described in such
6 subsections (3) or (4) will be for a Private Person Use that is related
7 to the state or local governmental use of the Projects financed or
8 refinanced with Bond proceeds, and (B) any Private Person Use will
9 not exceed the amount of Net Proceeds of the Bonds used for the
10 state or local governmental use portion of the projects to which the
11 Private Person Use of such portion of such projects relates. The
12 Municipality further covenants that it will comply with any
13 limitations on the use of the projects by other than state and local
14 governmental users that are necessary, in the opinion of its bond
15 counsel, to preserve the tax exemption of the interest on the Bonds.
16 The covenants of this section are specified solely to assure the
17 continued exemption from regular income taxation of the interest on
18 the Bonds.

19 The Bonds shall not be "qualified tax-exempt obligations" under Section 265(b)(3)
20 of the Code for investment by financial institutions, as the Municipality is issuing more
21 than \$10,000,000 in qualified tax-exempt obligations during the year in which the Bonds
22 are being issued.

1 **Section 12.** Sale of Bonds. The Assembly has determined that it would be in the best
2 interest of the Municipality to delegate to the Authorized Representative of the
3 Municipality the authority to confirm the manner of sale and approve the final interest
4 rates, maturity dates, the final principal amount, including original issue premium, if any,
5 to be allocated to each of the authorizations, aggregate principal amount, principal amounts
6 of each maturity, redemption rights and other terms and conditions of the Bonds. The
7 Authorized Representative of the Municipality is hereby authorized to confirm the manner
8 of sale and approve the final interest rates, maturity dates, the final principal amount to be
9 allocated to each of the authorizations, aggregate principal amount, principal maturities
10 and redemption rights for the Bonds in the manner provided hereafter so long as the
11 aggregate principal amount of the Bonds does not exceed \$60,000,000 and so long as the
12 true interest cost for the Bonds does not exceed 6.5%.

13 In determining the final interest rates, maturity dates, the final principal amount,
14 including original issue premium, if any, to be allocated to each of the authorizations,
15 aggregate principal amount, principal maturities and redemption rights of the Bonds, the
16 Authorized Representative of the Municipality, in consultation with Municipality staff and
17 the Municipality's financial advisor, shall take into account those factors that, in her
18 judgment, will result in the lowest true interest cost on the Bonds to their maturity,
19 including, but not limited to current financial market conditions and current interest rates
20 for obligations comparable in tenor and quality to the Bonds.

21 The Bonds shall be sold by Competitive Sale or Negotiated Sale. The Authorized
22 Representative of the Municipality is hereby authorized to confirm, in her discretion,
23 whether the Bonds shall be sold by Negotiated Sale or by a Competitive Sale.

1 If the Bonds are sold by Negotiated Sale, the Authorized Representative of the
2 Municipality shall select one or more underwriting firms to underwrite the Bonds through
3 a process of soliciting proposals for underwriting. Upon the selection of one or more
4 underwriters, the Authorized Representative of the Municipality shall negotiate the terms
5 of sale for the Bonds, including the terms described in this section, in a contract of sale (the
6 "Bond Purchase Contract").

7 If the Bonds are sold by Competitive Sale, sealed bids will be received by the Authorized
8 Representative of the Municipality or the Competitive Sale will be undertaken by
9 electronic means, in the manner and on such date and time as the Authorized
10 Representative of the Municipality hereafter shall determine. The Authorized
11 Representative of the Municipality will approve the bid offering to purchase the Bonds at
12 the lowest true interest cost to the Municipality at such price as shall be determined at the
13 time of sale by the Authorized Representative of the Municipality, plus accrued interest to
14 the date of delivery, on all the terms and conditions set out in the applicable Official Notice
15 of Sale and Bid Form. All bids submitted for the purchase of the Bonds at Competitive Sale
16 shall be as set forth in the applicable Official Notice of Sale and Bid Form or otherwise as
17 established by the Authorized Representative of the Municipality which will be furnished
18 upon request made to the Authorized Representative of the Municipality. Such bids may,
19 at the option of the Authorized Representative of the Municipality, be required to be
20 accompanied by surety bond or a cashier's or certified check, as a good faith deposit. All
21 bids submitted shall be opened (but not read publicly) by the Municipality. The
22 Municipality reserves the right to reject any and all bids and to waive any irregularity or
23 informality in any bid.

1 Subject to the terms and conditions set forth in this Section 12, the Authorized
2 Representative of the Municipality is hereby authorized to accept an Approved Bid in a
3 Competitive Sale and/or execute the final form of a Bond Purchase Contract in a
4 Negotiated Sale, upon her approval of the final interest rates, maturity dates, aggregate
5 principal amounts, principal maturities and redemption rights for the Bonds set forth
6 therein. Following the sale of the Bonds, the Authorized Representative of the
7 Municipality shall provide a report to the Assembly, describing the final terms of the
8 Bonds approved pursuant to the authority delegated in this section.

9 Upon the adoption of this ordinance, the proper officials of the Municipality
10 including the Authorized Representative of the Municipality, are authorized and directed to
11 undertake all other actions necessary for the prompt sale, execution and delivery of the
12 Bonds and further to execute all closing certificates and documents required to effect the
13 closing and delivery of the Bonds in accordance with the terms of the Official Notice of
14 Sale, Approved Bid and/or Bond Purchase Contract.

15 The Authorized Representative of the Municipality is authorized to ratify and to
16 approve for purposes of the Rule, on behalf of the Municipality, an Official Statement (and
17 any Preliminary Official Statement) and any supplement thereto relating to the issuance
18 and sale of each series of the Bonds and the distribution of the Bonds pursuant thereto with
19 such changes, if any, as may be deemed by him to be appropriate.

20 The authority granted to the Authorized Representative of the Municipality by this
21 section shall remain in effect until April 1, 2009, and if an Approved Bid and/or Bond
22 Purchase Contract has not been accepted/executed by April 1, 2009, the authority granted
23 by this section shall lapse unless extended by an action of the Assembly.

1 **Section 13.** Bond Insurance. The payments of the principal of and interest on one or
2 more principal maturities of the Bonds may be insured by the issuance of a Bond Insurance
3 Policy. The Authorized Representative of the Municipality, with the assistance of the
4 Municipality's financial advisor, is hereby further authorized and directed to qualify the
5 Bonds for insurance and/or solicit proposals from municipal bond insurance companies for
6 the issuance of a Bond Insurance Policy. The Official Notice of Sale may provide that
7 bond insurance is a bidder's option, or the Authorized Representative may select a Insurer.
8 In the event that the Authorized Representative of the Municipality receives multiple
9 proposals, the Authorized Representative of the Municipality may select the proposal that
10 is expected to result in the overall lowest interest cost with respect to the Bonds. The
11 Authorized Representative of the Municipality may execute a commitment received from
12 each Insurer selected by the Authorized Representative of the Municipality. The Assembly
13 further authorizes and directs all proper officers, agents, attorneys and employees of the
14 Municipality to cooperate with the Insurer in preparing such additional agreements,
15 certificates, and other documentation on behalf of the Municipality as shall be necessary or
16 advisable in providing for the applicable Bond Insurance Policy.

17 **Section 14.** Application of Bond Proceeds. The net proceeds of the sale of the Bonds
18 received by the Municipality shall be deposited in the hereby authorized funds and
19 accounts of the Municipality. There is hereby authorized to be created the [2008A][year of
20 issuance] Project Construction Account (the "Project Account") to be held and maintained
21 in the custody of the Paying Agent pursuant to the terms of the Paying Agent Agreement.
22 The Project Account may be further subdivided into accounts or subaccounts for each of
23 the voter authorizations described in Section 4.

1 All moneys and securities deposited with the Paying Agent pursuant to the terms of
2 the Paying Agent Agreement shall be applied, and invested, only in accordance with the
3 provisions of the Paying Agent Agreement. All income earned, or gains realized, as a
4 result of the investment of amounts in funds or accounts created pursuant to the terms of
5 the Paying Agent Agreement shall be deposited therein and constitute a part thereof.

6 The net proceeds from the sale of the Bonds shall be applied and used in the
7 manner described in the following provisions.

8 (a) A portion of original issue premium, if any, may be designated by the
9 Authorized Representative of the Municipality, for deposit in the
10 Municipality's Debt Service Fund, and shall be used to pay a portion of the
11 interest on the Bonds coming due on the first interest payment date.

12 (b) The balance of the net proceeds derived from the Bonds shall be deposited
13 in the Project Account (hereinabove established) to be maintained by the
14 Registrar and shall be expended solely to pay the cost of issuing and selling
15 the Bonds and the costs of capital improvements, as authorized by the
16 respective Election Ordinances. None of the proceeds of the Bonds shall be
17 used for any purpose other than a capital purpose. If original issue premium
18 received upon the sale of the Bonds exceeds costs of issuance of the Bonds
19 (and is not used to pay debt service as provided in (a) above), the
20 Authorized Representative of the Municipality may allocate such premium
21 to pay costs of capital improvements authorized by one or more of the
22 Election Ordinances. The amount of original issue premium so allocated to

1 voter authorization(s) shall reduce the remaining amount of such voter
2 authorization(s).

3 **Section 15.** Undertaking to Provide Ongoing Disclosure.

4 (a) *Contract/Undertaking.* This section constitutes the Municipality's written
5 undertaking for the benefit of the owners (including Beneficial Owners) of
6 the Bonds as required by Section (b)(5) of the Rule.

7 (b) *Financial Statements/Operating Data.* The Municipality agrees to provide
8 or cause to be provided to each NRMSIR and to the SID, if any, in each
9 case as designated by the SEC in accordance with the Rule, the
10 Municipality's audited annual financial statements, including the notes
11 thereto and the statistical data included in the Comprehensive Annual
12 Financial Report of the Municipality (the "Annual Disclosure Report").

13 Such annual information and operating data described above shall be so provided
14 on or before the expiration of 210 days after the end of the Municipality's fiscal year for
15 each year commencing in 2009 for the fiscal year ending on December 31, 2008 (the
16 "Submission Date"). The Municipality may adjust the Submission Date if the
17 Municipality changes its fiscal year by providing written notice of the change of fiscal year
18 and the new reporting date to each then existing NRMSIR and the SID, if any. In lieu of
19 providing such annual financial information and operating data, the Municipality may
20 cross-reference to other documents provided to the NRMSIR's, the SID or to the SEC and,
21 if such document is a final official statement within the meaning of the Rule, available
22 from the MSRB.

1 The audited financial statements shall be prepared in accordance with the standards
2 of the Governmental Accounting Standards Board. The Annual Disclosure Report may be
3 submitted as a single document or as separate documents comprising a package and may
4 include by reference other information as provided in part (2); provided that any audited
5 financial statements may be submitted separately from the balance of the Annual
6 Disclosure Report and later than the Submission Date if such audited financial statements
7 are not available by the Submission Date.

8 (c) *Material Events.* The Municipality agrees to provide or cause to be
9 provided, in a timely manner, to the SID, if any, and to each NRMSIR
10 notice of the occurrence of any of the following events with respect to the
11 Bonds, if material:

- 12 • Principal and interest payment delinquencies;
- 13 • Non-payment related defaults;
- 14 • Unscheduled draws on debt service reserves reflecting financial
15 difficulties;
- 16 • Unscheduled draws on credit enhancements reflecting financial
17 difficulties;
- 18 • Substitution of credit or liquidity providers, or their failure to perform;
- 19 • Adverse tax opinions or events affecting the tax-exempt status of the
20 Bonds;
- 21 • Modifications to rights of owners;

- Optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856;
- Defeasances;
- Release, substitution or sale of property securing the repayment of the Bonds; and
- Rating changes.

(d) *Notification Upon Failure to Provide Financial Data.* The Municipality agrees to provide or cause to be provided, in a timely manner, to each NRMSIR and to the SID, if any, notice of its failure to provide the annual financial information described in subsection (b) above on or prior to the date set forth in subsection (b) above.

(e) *Termination/Modification.* The Municipality's obligations to provide annual financial information and notices of material events shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. This section, or any provision hereof, shall be null and void if the Municipality (1) obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this section, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; and (2) notifies each then existing NRMSIR and the SID, if any, of such opinion and the cancellation of this section. Notwithstanding any other provision of this ordinance, the Municipality may amend this Section 15 and any provision of this

1 Section 15 may be waived with an approving opinion of nationally
2 recognized bond counsel.

3 In the event of any amendment of or waiver of a provision of this Section 15, the
4 Municipality shall describe such amendment in the next annual report, and shall include, as
5 applicable, a narrative explanation of the reason for the amendment or waiver and its
6 impact on the type (or in the case of a change of accounting principles, on the presentation)
7 of financial information or operating data being presented by the Municipality. In
8 addition, if the amendment relates to the accounting principles to be followed in preparing
9 financial statements, (I) notice of such change shall be given in the same manner as for a
10 material event under Subsection (c), and (II) the annual report for the year in which the
11 change is made should present a comparison (in narrative form and also, if practical, in
12 quantitative form) between the financial statements as prepared on the basis of the new
13 accounting principles and those prepared on the basis of the former accounting principles.

14 (f) *Bond Owner's Remedies Under This Section.* A Bond owner's right to
15 enforce the provisions of this section shall be limited to a right to obtain
16 specific enforcement of the Municipality's obligations hereunder, and any
17 failure by the Municipality to comply with the provisions of this
18 undertaking shall not be an event of default with respect to the Bonds under
19 this ordinance.

20 (g) *DisclosureUSA.* The Municipality may elect to submit the information
21 required by this Section 15 to be filed with the NRMSIRs and the SID, if
22 any, directly to DisclosureUSA.org unless or until the SEC withdraws its
23 approval of this submission process.

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

5 **Section 17.** Miscellaneous. No recourse shall be had for the payment of the principal of
6 or the interest on the Bonds or for any claim based thereon or on this ordinance against any
7 member of the Assembly or officer of the Municipality or any person executing the Bonds.
8 The Bonds are not and shall not be in any way a debt or liability of the State of Alaska or
9 of any political subdivision thereof, except the Municipality, and do not and shall not
10 create or constitute an indebtedness or obligation, either legal, moral or otherwise, of said
11 State or of any political subdivision thereof, except the Municipality.

12 **Section 18.** Authorization to Amend Ordinance No. AO 2008-3. The Authorized
13 Representative of the Municipality is hereby directed to prepare an amendment to
14 Exhibit A attached to Ordinance No. AO 2008-3, to include all Bonds issued under the
15 terms of this ordinance to be included on Exhibit A, as refunding candidates under the
16 terms of Ordinance No. AO 2008-3 and deliver the same to the Municipal Clerk for
17 attachment to Ordinance No. AO 2008-3, and Ordinance No. AO 2008-3, as so amended is
18 hereby ratified, approved and confirmed.

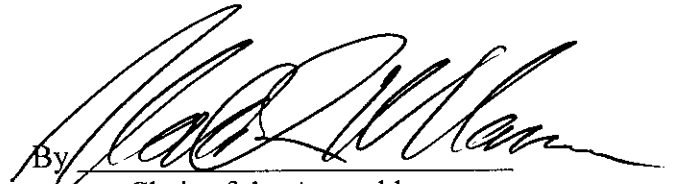
19 **Section 19.** Severability. If any one or more of the covenants or agreements provided in
20 this ordinance to be performed on the part of the Municipality shall be declared by any
21 court of competent jurisdiction to be contrary to law, then such covenant or covenants,
22 agreement or agreements, shall be null and void and shall be deemed separable from the

1 remaining covenants and agreements of this ordinance and shall in no way affect the
2 validity of the other provisions of this ordinance or of the Bonds.

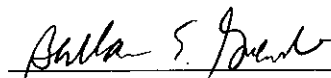
3 **Section 20. Effective Date.** This ordinance shall be effective immediately upon passage
4 and approval by the Assembly.

5 **Section 21. Notwithstanding the foregoing, should the Administration be unable to**
6 **sell the Bonds on terms and conditions, that, in the discretion of the Chief Fiscal**
7 **Officer, are favorable to the Municipality within 90 days of the approval of this**
8 **Ordinance, the authorization provided hereunder shall become null and void and the**
9 **Administration shall be required to report to the Assembly and shall seek further**
10 **authorization from the Assembly to issuance of the Bonds.**

11
12 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 28th
13 day of October, 2008.

14
15
16
17
18 By 
Chair of the Assembly

18 ATTEST:

19
20 
21 Municipal Clerk
22

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. AO 2008-108

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$60,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION GENERAL PURPOSE BONDS OF THE MUNICIPALITY FOR THE PURPOSE OF FINANCING THE COSTS OF MAJOR ROOF REPAIR AND MAINTENANCE OF CERTAIN PUBLIC FACILITIES; IMPROVING, RENOVATING, REPLACING AND RENEWING POOL FACILITIES; PUBLIC SAFETY AND TRANSPORTATION IMPROVEMENTS; FIRE RELATED IMPROVEMENTS AND ROAD AND DRAINAGE IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENT PROJECTS IN THE MUNICIPALITY; DELEGATING CERTAIN MATTERS TO THE CHIEF FISCAL OFFICER IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE CHIEF FISCAL OFFICER TO CONFIRM THE MANNER OF SALE OF THE BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE MUNICIPALITY TO THE PAYMENT THEREOF; AND AUTHORIZING AN AMENDMENT TO ORDINANCE NO. AO 2008-3.

Prepared by

K&L PRESTON GATES ELLIS LLP

MUNICIPALITY OF ANCHORAGE
ORDINANCE No. AO 2008-108

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* This Table of Contents is not a part of the following ordinance.

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2008- 108

Title: \$60,000,000 – General Purpose Bonds

Sponsor: Mayor

Preparing Agency: Public Finance and Investments

Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:		(Thousands of Dollars)				
	FY08	FY09	FY10	FY11	FY12	
Operating Expenditures						
1000 Personal Services						
2000 Supplies						
3000 Other Services						
4000 Debt Service	0	4,492*	4,492*	4,492*	4,492*	
5000 Capital Outlay						
TOTAL DIRECT COSTS:	0	4,492	4,492	4,492	4,492	
ADD: 6000 Charge from Others						
LESS: 7000 Charge to Others						
FUNCTION COST:						
REVENUES:						
CAPITAL:						
POSITIONS:						

PUBLIC SECTOR ECONOMIC EFFECTS:

Approval provides capital for both new and improved infrastructure in the areas of roads, emergency services, public safety, public transportation and parks and recreation.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$4,492,000 assumes bonds are sold as a package with an average coupon of 4.83%, for 20 years.

* Subject to market rates and timing

Prepared by: Ross Risvold, Public Finance & Investments

Telephone: 343-6606

Validated by OMB: _____

Date: _____



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 673-2008

Meeting Date: October 14, 2008

From: Mayor

Subject: An Ordinance for Issuance of Not to Exceed \$60,000,000 2008 General Obligation Bonds (General Purpose)

The attached ordinance provides for the issuance of not to exceed \$60,000,000 General Obligation Bonds (General Purpose) of voter authorized debt. The current schedule for the sale and related matters calls for a public hearing on the ordinance on October 28, 2008. Sale of the bonds is anticipated to take place by the end of November 2008.

The Chief Fiscal Officer is authorized by Section 12 of the ordinance to execute the sale of the bonds in the best interests of the Municipality within certain limits established in the ordinance.

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ATTACHED ORDINANCE.

Prepared by: Ross Risvold, Public Finance & Investments Manager

Recommended by: Sharon Weddleton, CFO

Concurrence: Michael K. Abbott, Municipal Manager

Respectfully submitted: Mark Begich, Mayor

Content ID: 006902**Type:** Ordinance - AO**Title:** An Ordinance for Issuance of Not to Exceed \$60,000,000 2008 General Obligation Bonds (General Purpose), Finance**Author:** pruittns**Initiating Dept:** Finance**Keywords:** G.O. Bonds, General Purpose, \$60,000,000**Date Prepared:** 10/2/08 3:52 PM**Director Name:** Sharon Weddleton**Assembly Meeting Date:** 10/14/08**Public Hearing Date:** 10/28/08

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	10/3/08 11:11 AM	Exit	Heather Handyside	Public	006902
MuniMgrCoord_SubWorkflow	10/3/08 11:11 AM	Approve	Heather Handyside	Public	006902
MuniManager_SubWorkflow	10/3/08 10:47 AM	Approve	Michael Abbott	Public	006902
Legal_SubWorkflow	10/3/08 10:41 AM	Approve	Dean Gates	Public	006902
OMB_SubWorkflow	10/3/08 9:27 AM	Approve	Wanda Phillips	Public	006902
Finance_SubWorkflow	10/2/08 4:54 PM	Approve	Sharon Weddleton	Public	006902
AllOrdinanceWorkflow	10/2/08 3:55 PM	Checkin	Nina Pruitt	Public	006902