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3 **CLERK'S OFFICE**
4 **APPROVED**
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6 **Date:** 3-2-10
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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 Gates LLP
For Reading: February 16, 2010

8 **MUNICIPALITY OF ANCHORAGE, ALASKA**
9 **ORDINANCE No. 2010-17**

10
11 **AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,**
12 **AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED**
13 **\$33,870,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL**
14 **OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY FOR THE**
15 **PURPOSE OF FINANCING THE COSTS OF RENEWING AND REPLACING**
16 **CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF CHESTER**
17 **VALLEY AND SAND LAKE ELEMENTARY SCHOOLS, DESIGN PLANS FOR**
18 **GIRDWOOD K-8 SCHOOL AND FOR EDUCATIONAL CAPITAL**
19 **IMPROVEMENTS FOR DISTRICTWIDE MAJOR BUILDINGS SYSTEMS**
20 **RENEWAL IN THE MUNICIPALITY; DELEGATING CERTAIN MATTERS TO**
21 **THE CHIEF FISCAL OFFICER IN CONNECTION WITH THE SALE OF THE**
22 **BONDS; AUTHORIZING THE CHIEF FISCAL OFFICER TO CONFIRM THE**
23 **MANNER OF SALE OF THE BONDS; PLEDGING THE FULL FAITH AND**
24 **CREDIT OF THE MUNICIPALITY TO THE PAYMENT THEREOF; AND**
25 **AUTHORIZING AN AMENDMENT TO ORDINANCE NO. AO 2009-76.**
26

27 **WHEREAS**, at an election held in the Municipality of Anchorage, Alaska (the
28 "Municipality"), on April 3, 2007, the number and proportion of the qualified
29 electors of the Municipality required by law for the adoption thereof voted in favor
30 of a proposition authorizing the issuance of general obligation bonds of the
31 Municipality in the aggregate principal amount of \$65,000,000 for the purpose of
32 providing funds for renewal and replacement of Clark Middle School as authorized
33 by Ordinance No. AO 2006-180(S) of the Municipality (the "Clark Middle School
34 Election Ordinance") passed and approved on February 13, 2007 (the "Clark
35 Middle School Project"); and
36

37 **WHEREAS**, pursuant to the Clark Middle School Election Ordinance, the following
38 question was referred to the voters as Proposition 4:
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PROPOSITION NO. 4
CLARK MIDDLE SCHOOL RENEWAL AND
REPLACEMENT BONDS

Shall Anchorage borrow up to \$65,000,000 through the issuance of general obligation bonds to pay for renewal and replacement of Clark Middle School within Anchorage, as provided in Ordinance No. AO 2006-180(S) and increase the municipal tax cap by an amount of \$425,000 to pay for associated annual operations and maintenance costs? The project currently qualifies for 60% State debt reimbursement (subject to annual Legislative appropriation as described below.)

The general obligation bond proceeds will be used to pay costs of demolition, planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects, but not limited to the project described above.

The project currently qualifies for 60% State debt reimbursement. If the State chooses to make full reimbursement, the annual increase in taxes would be \$7.57 to retire the proposed bonds (based on \$100,000 of 2007 real and personal property value). State reimbursement is subject to annual Legislative appropriation.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value (based on the estimated 2007 assessed valuation): (i) an annual increase in taxes of approximately \$18.93 to retire the proposed bonds (subject to reduction with State reimbursement money), and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$1.51 to pay for annual operation and maintenance costs related to the proposed capital improvements.

The debt will be paid from real and personal property taxes levied and collected areawide in Anchorage. Anchorage will also pledge its full faith and credit for payment of the debt.

(No. AO 2006-180(S))

; and

1 **WHEREAS**, at an election held in the Municipality on April 3, 2007, the number
2 and proportion of the qualified electors of the Municipality required by law for the
3 adoption thereof voted in favor of a proposition authorizing the issuance of general
4 obligation bonds of the Municipality in the aggregate principal amount of
5 \$20,000,000 for the purpose of providing funds for educational capital
6 improvements for districtwide major building systems renewal as authorized by
7 Ordinance No. AO 2006-181(S) of the Municipality (the "2007 Major Building
8 System Renewal Election Ordinance") passed and approved on February 13,
9 2007 (the "2007 Major Building System Renewal Projects"); and

10
11 **WHEREAS**, pursuant to the 2007 Major Building System Renewal Election
12 Ordinance, the following question was referred to the voters as Proposition 5:

13
14 **PROPOSITION NO. 5**
15 **EDUCATIONAL CAPITAL IMPROVEMENTS**
16 **DISTRICTWIDE MAJOR BUILDING SYSTEMS RENEWAL**
17 **BONDS**
18

19 Shall Anchorage borrow up to \$20,000,000 through the
20 issuance of general obligation bonds to pay for educational
21 capital improvements for Districtwide major building systems
22 renewal within Anchorage, as provided in Ordinance
23 No. AO 2006-181(S)? The projects currently qualify for 70%
24 State debt reimbursement (subject to annual Legislative
25 appropriation as described below.)
26

27 The general obligation bond proceeds will be used to pay
28 costs of planning, design, site preparation, constructing,
29 renovating, installing and equipping educational capital
30 improvement projects within Anchorage. The proposed
31 educational capital improvement projects include, but are not
32 limited to, the following:
33

34 **Projects:**
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36 Districtwide Code/Hazmat/ADA/Sprinkler Projects
37 Districtwide Roof Replacement and Repairs
38 Multi-School Security System Upgrades
39 Emergency Communications Systems – High Schools
40 Districtwide Building Renewal Projects
41 Districtwide Electrical Projects
42 Districtwide Mechanical Projects
43 Districtwide Traffic Safety Projects
44

45 The projects currently qualify for 70% State debt
46 reimbursement. If the State chooses to make full

1 reimbursement, the annual increase in taxes would be \$1.75
2 to retire the proposed bonds (based on \$100,000 of 2007 real
3 and personal property value). State reimbursement is subject
4 to annual Legislative appropriation.
5

6 Voter approval of this bond proposition authorizes for each
7 \$100,000 of assessed real and personal property value
8 (based on the estimated 2007 assessed valuation) an annual
9 increase in taxes of approximately \$5.83 (subject to reduction
10 with State reimbursement money) to retire the proposed
11 bonds.
12

13 The debt will be paid from real and personal property taxes
14 levied and collected areawide in Anchorage. Anchorage will
15 also pledge its full faith and credit for payment of the debt.
16

17 (No. AO 2006-181(S))
18

19 ; and
20

21 **WHEREAS**, at an election held in the Municipality of Anchorage, Alaska (the
22 "Municipality"), on April 1, 2008, the number and proportion of the qualified
23 electors of the Municipality required by law for the adoption thereof voted in favor
24 of a proposition authorizing the issuance of general obligation bonds of the
25 Municipality in the aggregate principal amount of \$34,300,000 for the purpose of
26 providing funds for addition and renewal of Chester Valley and Sand Lake
27 Elementary Schools and design plans for Girdwood K-8 School as authorized by
28 Ordinance No. AO 2008-7 of the Municipality (the "Schools Addition, Renewal and
29 Design Election Ordinance") passed and approved on February 12, 2008 (the
30 "Schools Addition, Renewal and Design Projects"); and
31

32 **WHEREAS**, pursuant to the Schools Addition, Renewal and Design Election
33 Ordinance, the following question was referred to the voters as Proposition 2:
34

35 PROPOSITION NO. 2
36 SCHOOLS ADDITION, RENEWAL
37 AND DESIGN BONDS
38

39 Shall Anchorage borrow up to \$34,300,000 through the
40 issuance of general obligation bonds to pay for addition and
41 renewal of Chester Valley and Sand Lake Elementary Schools
42 and design plans for Girdwood K-8 School within Anchorage,
43 as provided in Ordinance No. AO 2008-7? The projects
44 currently qualify for 60% state debt reimbursement (subject to
45 annual Legislative appropriation as described below).
46

1 The general obligation bond proceeds will be used to pay
2 costs of demolition, planning, designing, site preparation,
3 constructing, renovating, installing and equipping educational
4 capital improvement projects, but not limited to the projects
5 described above.
6

7 The projects currently qualify for 60% state debt
8 reimbursement. If the State chooses to make full
9 reimbursement, the annual increase in taxes would be \$3.54
10 to retire the proposed bonds (based on \$100,000 of 2008 real
11 and personal property value). State reimbursement is subject
12 to annual Legislative appropriation.
13

14 Voter approval of this bond proposition authorizes for each
15 \$100,000 of assessed real and personal property value
16 (based on the estimated 2008 assessed valuation) an annual
17 increase in taxes of approximately \$8.84 to retire the
18 proposed bonds (subject to reduction with State
19 reimbursement money).
20

21 The debt will be paid from real and personal property taxes
22 levied and collected areawide in Anchorage. Anchorage will
23 also pledge its full faith and credit for payment of the debt.
24

25 (No. AO 2008-7)

26 ; and
27
28

29 **WHEREAS**, at an election held in the Municipality on April 1, 2008, the number
30 and proportion of the qualified electors of the Municipality required by law for the
31 adoption thereof voted in favor of a proposition authorizing the issuance of general
32 obligation bonds of the Municipality in the aggregate principal amount of
33 \$9,410,000 for the purpose of providing funds for educational capital
34 improvements for districtwide major building systems renewal as authorized by
35 Ordinance No. AO 2008-8 of the Municipality (the "2008 Major Building System
36 Renewal Election Ordinance") passed and approved on February 12, 2008 (the
37 "2008 Major Building System Renewal Projects"); and
38

39 **WHEREAS**, pursuant to the 2008 Major Building System Renewal Election
40 Ordinance, the following question was referred to the voters as Proposition 3:
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PROPOSITION NO. 3
EDUCATIONAL CAPITAL IMPROVEMENTS
DISTRICTWIDE MAJOR BUILDING SYSTEMS RENEWAL
BONDS

Shall Anchorage borrow up to \$9,410,000 through the issuance of general obligation bonds to pay for educational capital improvements for Districtwide major building systems renewal within Anchorage, as provided in Ordinance No. AO 2008-8? The projects currently qualify for 70% State debt reimbursement (subject to annual Legislative appropriation as described below.)

The general obligation bond proceeds will be used to pay costs of planning, design, site preparation, constructing, renovating, installing and equipping educational capital improvement projects within Anchorage. The proposed educational capital improvement projects include, but are not limited to, the following:

Projects:

Districtwide Code/Hazmat/ADA/Sprinkler Projects
Districtwide Roof Replacement and Repairs
Districtwide Building Renewal Projects
Districtwide Electrical Projects
Districtwide Mechanical Projects
Districtwide Traffic Safety Projects
Districtwide Track Renewal
Emergency Communications Systems – Middle Schools

The projects currently qualify for 70% State debt reimbursement. If the State chooses to make full reimbursement, the annual increase in taxes would be \$0.73 to retire the proposed bonds (based on \$100,000 of 2008 real and personal property value). State reimbursement is subject to annual Legislative appropriation.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value (based on the estimated 2008 assessed valuation) an annual increase in taxes of approximately \$2.43 (subject to reduction with State reimbursement money) to retire the proposed bonds.

1 The debt will be paid from real and personal property taxes
2 levied and collected areawide in Anchorage. Anchorage will
3 also pledge its full faith and credit for payment of the debt.
4

5 (No. AO 2008-8)
6

7 ; and
8

9 **WHEREAS**, it is deemed necessary and advisable that the Municipality combine
10 the Clark Middle School Project, the 2007 Major Building System Renewal
11 Projects, the Schools Addition, Renewal and Design Projects and the 2008 Major
12 Building System Renewal Projects (collectively, the "Projects") and issue and sell
13 a portion of such authorized bonds, in the aggregate principal amount of not to
14 exceed \$33,870,000, to provide part of the funds necessary to fund the Projects;
15 and
16

17 **WHEREAS**, the Home Rule Charter of the Municipality provides in Section 15.03
18 that the Assembly by ordinance shall provide for the form and manner of sale of
19 bonds and notes including reasonable limitation upon the sale of bonds and notes
20 to financial consultants of the Municipality;
21

22 **WHEREAS**, the Assembly wishes to delegate authority to the Chief Fiscal Officer
23 to confirm the manner of sale of the Bonds (as herein defined); now, therefore,
24

25 **THE ANCHORAGE ASSEMBLY ORDAINS:**
26

27 **Section 1.** Purpose. The purpose of this ordinance is to approve and provide
28 for the issuance and sale of not to exceed \$33,870,000 of general obligation
29 schools bonds to provide moneys to pay and reimburse the Municipality for the
30 costs of the Projects, to pay costs of issuance and to fix the form and manner of
31 sale for said general obligation schools bonds.
32

33 **Section 2.** Definitions. As used in this ordinance, the following words shall have
34 the following meanings:
35

36 **Acquired Obligations** means any of the following securities, if and to the
37 extent the same are at the time legal for investment of funds of the
38 Municipality: (a) any bonds or other obligations which as to principal and
39 interest constitute direct obligations of, or are unconditionally guaranteed as
40 to timely payment by, the United States of America; direct obligations and
41 fully guaranteed certificates of beneficial interest of the Export-Import Bank
42 of the United States; senior debt obligations of the Federal Home Loan
43 Banks; debentures of the Federal Housing Administration; guaranteed
44 mortgage-backed bonds and guaranteed pass-through obligations of the
45 Government National Mortgage Association; guaranteed Title XI financings
46 of the U.S. Maritime Administration; and participation certificates and senior

1 debt obligations of the Federal Home Loan Mortgage Corporation; or
2 (b) any bonds or other obligations of any state of the United States of
3 America or of any agency, instrumentality or local governmental unit of any
4 such state, (1)(A) which are not callable at the option of the obligor prior to
5 maturity, (B) which are callable prior to maturity and the issuer has foregone
6 the right to call the obligations and the obligations are irrevocably escrowed
7 to maturity, or (C) as to which irrevocable instructions have been given to
8 the trustee of such bonds or other obligations by the obligor to give due
9 notice of redemption and to call such bonds for redemption on the date or
10 dates specified in such instructions, (2)(A) which are fully secured as to
11 principal and interest and redemption premium, if any, by a fund consisting
12 only of cash or bonds or other obligations of the character described in
13 clause (a) hereof which fund may be applied only to the payment of such
14 principal of and interest and redemption premium, if any, on such bonds or
15 other obligations on the maturity date or dates thereof or the specified
16 redemption date or dates pursuant to such irrevocable instructions, as
17 appropriate, and (B) the principal of and interest on the bonds and
18 obligations of the character described in clause (a) hereof have been
19 deposited in such fund and, along with any cash on deposit in such fund,
20 are sufficient to pay principal of and interest and redemption premium, if
21 any, on the bonds or other obligations described in this clause (b) on the
22 maturity date or dates thereof or on the redemption date or dates specified
23 in the irrevocable instructions referred to in subclause (1) of this clause (b),
24 as appropriate, and (3) such securities are unconditionally rated Aaa by
25 Moody's Investors Service or unconditionally rated AAA by Standard &
26 Poor's Ratings Services, a Division of The McGraw Hill Companies.

27
28 **Approved Bid** means the winning bid submitted for such series of Bonds if
29 the Bonds are sold by Competitive Sale.

30
31 **Assembly** means the Municipal Assembly of the Municipality, as the
32 general legislative authority of the Municipality established pursuant to its
33 Home Rule Charter, as the same shall be duly and regularly constituted
34 from time to time.

35
36 **Authorized Representative of the Municipality** means the Chief Fiscal
37 Officer of the Municipality or her/his written designee.

38
39 **Beneficial Owner** means the beneficial owner of all or a portion of a Bond
40 while such Bond is in fully immobilized form.

41
42 **Bond Insurance Policy** means the municipal bond insurance policy, if any,
43 issued by the Insurer insuring the payment when due of the principal of and
44 interest on such series of Bonds as provided therein.

1 **Bond Purchase Contract** means, if the Bonds shall be sold by Negotiated
2 Sale, the purchase contract relating to such series of Bonds between the
3 Municipality and the Underwriter.
4

5 **Bond Register** means the registration books maintained by the Registrar
6 setting forth the names and addresses of owners of the Bonds in
7 compliance with Section 149 of the Code.
8

9 **Bond** or **Bonds** means any of the bonds of the Municipality, which may be
10 issued in a single or multiple series, the issuance and sale of which are
11 authorized herein.
12

13 **Bond Year** means each one-year period that ends on the date selected by
14 the Municipality. The first and last Bond Years may be short periods. If no
15 day is selected by the Municipality before the earlier of the final maturity
16 date of the Bonds or the date that is five years after the date of issuance of
17 the Bonds, Bond Years end on each anniversary of the date of issue and on
18 the final maturity date of the Bonds.
19

20 **Build America Bonds** means bonds issued under authority of
21 Section 54AA of the Code, enacted by the American Recovery and
22 Reinvestment Act of 2009.
23

24 **Chief Fiscal Officer** means the Chief Fiscal Officer of the Municipality or
25 her/his written designee.
26

27 **Clark Middle School Election Ordinance** means Ordinance
28 No. AO 2006-180(S) of the Municipality passed and approved on
29 February 13, 2007.
30

31 **Clark Middle School Project** means the renewal and replacement of Clark
32 Middle School as authorized by Ordinance No. AO 2006-180(S) of the
33 Municipality passed and approved on February 13, 2007 and approved by
34 the electors at an election held on April 3, 2007.
35

36 **Code** means the federal Internal Revenue Code of 1986, as amended from
37 time to time, and the applicable regulations thereunder.
38

39 **Competitive Sale** means the process by which a series of Bonds (or a
40 portion of them) are sold through the public solicitation of bids from
41 underwriting firms.
42

43 **Debt Service Fund** means the [2010__][year of issuance] General
44 Obligation Debt Service Fund created pursuant to Section 9 hereof.
45

1 **DTC** means The Depository Trust Company, New York, New York, a limited
2 purpose trust company organized under the laws of the State of New York,
3 as depository for the Bonds pursuant to Section 3 hereof.
4

5 **Election Ordinances** mean, collectively, the Clark Middle School Election
6 Ordinance, the 2007 Major Building System Renewal Election Ordinance,
7 the Schools Addition, Renewal and Design Election Ordinance and the
8 2008 Major Building System Renewal Election Ordinance.
9

10 **Insurer** means the municipal bond insurance company, if any, specified in
11 the Approved Bid and/or Bond Purchase Contract, as issuer of a Bond
12 Insurance Policy for all or any maturity(ies) of such series of Bonds.
13

14 **Letter of Representations** means a blanket issuer letter of representations
15 from the Municipality to DTC.
16

17 **MSRB** means the Municipal Securities Rulemaking Board or any successor
18 to its functions.
19

20 **Municipality** means the Municipality of Anchorage created upon ratification
21 of the Home Rule Charter after the election thereon held on September 9,
22 1975, and the successor thereunder to the City of Anchorage, the City of
23 Glen Alps, the City of Girdwood and the Greater Anchorage Area Borough,
24 former municipal corporations of the State of Alaska.
25

26 **Negotiated Sale** means the process by which a series of Bonds are sold by
27 negotiation to one or more underwriting firms selected by the Authorized
28 Representative of the Municipality.
29

30 **Net Proceeds**, when used with reference to a series of Bonds, means the
31 principal amount of such series of Bonds, plus accrued interest and original
32 issue premium, if any, and less original issue discount.
33

34 **Official Notice of Sale** means, if a series of Bonds shall be sold by
35 Competitive Sale, the notice of bond sale authorized to be given in
36 Section 12 of this ordinance.
37

38 **Official Statement** means the Official Statement of the Municipality
39 pertaining to the sale of such series of Bonds, in either preliminary or final
40 form.
41

42 **Paying Agent Agreement** means the Agreement between the Municipality
43 and the Paying Agent relating to such series of Bonds.
44

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

1
2 **Private Person Use** means the use of property in a trade or business by a
3 Private Person if such use is other than as a member of the general public.
4 Private Person Use includes ownership of the property by the Private
5 Person as well as other arrangements that transfer to the Private Person
6 the actual or beneficial use of the property (such as a lease, management
7 or incentive payment contract or other special arrangement) in such a
8 manner as to set the Private Person apart from the general public. Use of
9 property as a member of the general public includes attendance by the
10 Private Person at municipal meetings or business rental of property to the
11 Private Person on a day-to-day basis if the rental paid by such Private
12 Person is the same as the rental paid by any Private Person who desires to
13 rent the property. Use of property by nonprofit community groups or
14 community recreational groups is not treated as Private Person Use if such
15 use is incidental to the governmental uses of property, the property is made
16 available for such use by all such community groups on an equal basis and
17 such community groups are charged only a *de minimis* fee to cover
18 custodial expenses.

19
20 **Project Account** means the “[2010__][year of issuance] Project
21 Construction Account,” including the subaccounts therein authorized to be
22 created pursuant to Section 14 of this ordinance for the purpose of holding
23 proceeds of such series of Bonds received by the Municipality.

24
25 **Projects** mean, collectively, the Clark Middle School Project, the 2007
26 Major Building System Renewal Projects, the Schools Addition, Renewal
27 and Design Projects and the 2008 Major Building System Renewal
28 Projects.

29
30 **Qualified School Construction Bonds** means bonds issued pursuant to
31 Section 54F of the Code, enacted by the American Recovery and
32 Reinvestment Act of 2009.

33
34 **Recovery Zone Economic Development Bonds** means bonds issued
35 under authority of Section 1400 U-2 of the Code, enacted by the American
36 Recovery and Reinvestment Act of 2009.

37
38 **Registered Owner** means the person named as the registered owner of a
39 Bond in the Bond Register. For so long as the Bonds are held in book-entry
40 only form, DTC shall be deemed to be the sole Registered Owner.

41
42 **Registrar** means the authenticating agent, paying agent and registrar
43 appointed from time to time by the Authorized Representative of the
44 Municipality, for the purposes of registering and authenticating such series
45 of Bonds, maintaining the Bond Register, effecting transfer of ownership of

1 such series of Bonds and paying interest on and principal of such series of
2 Bonds.

3
4 **Rule** means the SEC's Rule 15c2-12 under the Securities Exchange Act of
5 1934, as the same may be amended from time to time.

6
7 **Schools Addition, Renewal and Design Election Ordinance** means
8 Ordinance No. AO 2008-7 of the Municipality passed and approved on
9 February 12, 2008.

10
11 **Schools Addition, Renewal and Design Projects** means the addition and
12 renewal of Chester Valley and Sand Lake Elementary Schools and design
13 plans for Girdwood K-8 School as authorized by Ordinance No. AO 2008-7
14 of the Municipality passed and approved on February 12, 2008 and
15 approved by the electors at an election held on April 1, 2008.

16
17 **SEC** means the Securities and Exchange Commission.

18
19 **2007 Major Building System Renewal Election Ordinance** means
20 Ordinance No. AO 2006-181(S) of the Municipality passed and approved on
21 February 13, 2007.

22
23 **2007 Major Building System Renewal Projects** mean the educational
24 capital improvements for districtwide major building systems renewal as
25 authorized by Ordinance No. AO 2006-181(S) of the Municipality passed
26 and approved on February 13, 2007 and approved by the electors at an
27 election held on April 3, 2007.

28
29 **2008 Major Building System Renewal Election Ordinance** means
30 Ordinance No. AO 2008-8 of the Municipality passed and approved on
31 February 12, 2008.

32
33 **2008 Major Building System Renewal Projects** mean the educational
34 capital improvements for districtwide major building systems renewal as
35 authorized by Ordinance No. AO 2008-8 of the Municipality passed and
36 approved on February 12, 2008 and approved by the electors at an election
37 held on April 1, 2008.

38
39 **Term Bonds** mean the portion of such series of Bonds, if any, designated
40 as "Term Bonds" in the Bond Purchase Contract or the Approved Bid for
41 such series of Bonds.

42
43 **Underwriter** means the initial purchaser or representative of the
44 purchasers (if more than one firm acts collectively with one or more
45 additional underwriting firms) of such series of Bonds.
46

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

- 3
- 4 (a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any
5 similar terms, as used in this ordinance, refer to this ordinance as a
6 whole and not to any particular article, section, subdivision or clause
7 hereof, and the term "hereafter" shall mean after, and the term
8 "heretofore" shall mean before, the date of this ordinance;
9
- 10 (b) Words of the masculine gender shall mean and include correlative
11 words of the feminine and neuter genders and words importing the
12 singular number shall mean and include the plural number and vice
13 versa;
14
- 15 (c) Words importing persons shall include firms, associations,
16 partnerships (including limited partnerships), trusts, corporations and
17 other legal entities, including public bodies, as well as natural
18 persons;
19
- 20 (d) Any headings preceding the text of the several articles and sections
21 of this ordinance, and any table of contents or marginal notes
22 appended to copies hereof, shall be solely for convenience of
23 reference and shall not constitute a part of this ordinance, nor shall
24 they affect its meaning, construction or effect; and
25
- 26 (e) All references herein to "articles," "sections" and other subdivisions
27 or clauses are to the corresponding articles, sections, subdivisions or
28 clauses hereof.
29

30 **Section 3. Authorization and Purpose of Bonds.** The Municipality shall now
31 issue and sell not to exceed \$33,870,000 of unlimited tax general obligation
32 schools bonds in one or more series authorized by the qualified electors of the
33 Municipality at special elections held on April 3, 2007 and April 1, 2008 (the
34 "Bonds"). The Bonds shall be issued to fund the costs of the following projects
35 (each, a "voter authorization"):
36

<u>Projects</u>	<u>Maximum Dollar Amount to be Issued</u>
39 Clark Middle School Project (2007 Prop. 4)	\$ 8,430,000
40 Major Building System Renewal Projects (2007 Prop. 5)	2,550,000
41 Schools Addition, Renewal and Design Projects 42 (2008 Prop. 2)	20,430,000
43 Major Building System Renewal Projects (2008 Prop. 3)	2,460,000

44
45 The Authorized Representative of the Municipality shall determine the final
46 dollar amount of Bonds to be issued within each of the above voter authorizations

1 to be set forth in the Bond Purchase Contract if such series of Bonds are sold by
2 Negotiated Sale, or in the Official Notice of Sale if such series of Bonds are sold
3 by Competitive Sale, hereinafter authorized and the aggregate principal amount of
4 such series of Bonds shall be determined by the Authorized Representative of the
5 Municipality, pursuant to the authority granted in Section 12 of this ordinance.
6

7 **Section 4. Bond Details.** The Bonds shall be designated the "Municipality of
8 Anchorage, Alaska, General Obligation Bonds, Series ____ (Schools)" or such
9 other or additional designation as may be made by the Authorized Representative
10 of the Municipality, shall be issued in one or more series or may be combined and
11 sold as a single series with other bonds authorized by an ordinance approved by
12 the Assembly, shall be dated as of the date of original issuance and delivery, shall
13 be fully registered as to both principal and interest, shall be in the denomination of
14 \$5,000 each or any integral multiple thereof, provided that no Bond of a series
15 shall represent more than one maturity, shall be numbered separately in such
16 manner and with any additional designation as the Registrar deems necessary for
17 purposes of identification and control, and shall bear interest payable semiannually
18 until the Bonds bearing such interest have been paid or their payment duly
19 provided for. The Bonds shall be issued in the aggregate principal amount, shall
20 bear interest at the per annum rates, payable on the interest payment dates and
21 shall mature in the principal amounts on the principal payment dates set forth in
22 the Approved Bid or the Bond Purchase Contract for such series and as approved
23 by the Authorized Representative of the Municipality pursuant to Section 12 of this
24 ordinance.
25

26 **Section 5. Registration.**

- 27
28 (a) *Registrar/Bond Register.* The Authorized Representative of the
29 Municipality is hereby authorized to appoint an authenticating agent,
30 paying agent and registrar for each series of Bonds (the "Registrar")
31 and to enter into a Paying Agent Agreement with the Registrar
32 pursuant to which the Registrar will perform the duties specified for
33 the Registrar under this ordinance and hold and invest certain funds
34 (Bond proceeds and debt service money) from time to time. The
35 form of the Paying Agent Agreement shall be subject to the approval
36 of the Authorized Representative of the Municipality, which approval
37 shall be presumed upon the execution thereof by the Authorized
38 Representative of the Municipality. So long as any Bonds of a series
39 remain outstanding, the Registrar shall make all necessary
40 provisions to permit the exchange or registration of transfer of Bonds
41 at its principal corporate trust office. The Registrar may be removed
42 at any time at the option of the Authorized Representative of the
43 Municipality upon prior notice to the Registrar, DTC, each entity
44 entitled to receive notice pursuant to Section 15, and a successor
45 Registrar appointed by the Authorized Representative of the
46 Municipality. No resignation or removal of the Registrar shall be

1 effective until a successor shall have been appointed and until the
2 successor Registrar shall have accepted the duties of the Registrar
3 hereunder. The Registrar is authorized, on behalf of the
4 Municipality, to authenticate and deliver Bonds transferred or
5 exchanged in accordance with the provisions of such series of Bonds
6 and this ordinance and to carry out all of the Registrar's powers and
7 duties under this ordinance. The Registrar shall be responsible for
8 its representations contained in the Certificate of Authentication on
9 such series of Bonds.

10
11 (b) *Registered Ownership.* The Municipality and the Registrar, each in
12 its discretion, may deem and treat the Registered Owner of each
13 Bond of a series as the absolute owner thereof for all purposes
14 (except as provided in Section 15 of this ordinance), and neither the
15 Municipality nor the Registrar shall be affected by any notice to the
16 contrary. Payment of any such Bond of a series shall be made only
17 as described in Section 5(h) hereof, but such Bond may be
18 transferred as herein provided. All such payments made as
19 described in Section 5(h) shall be valid and shall satisfy and
20 discharge the liability of the Municipality upon such Bond to the
21 extent of the amount or amounts so paid.

22
23 (c) *DTC Acceptance/Letter of Representations.* To induce DTC to
24 accept the Bonds as eligible for deposit at DTC, the Municipality has
25 executed and delivered to DTC a Letter of Representations.

26
27 Neither the Municipality nor the Registrar will have any responsibility or
28 obligation to DTC participants or the persons for whom they act as nominees (or
29 any successor depository) with respect to the Bonds in respect of the accuracy of
30 any records maintained by DTC (or any successor depository) or any DTC
31 participant, the payment by DTC (or any successor depository) or any DTC
32 participant of any amount in respect of the principal of or interest on Bonds of a
33 series, any notice which is permitted or required to be given to Registered Owners
34 under this ordinance (except such notices as shall be required to be given by the
35 Municipality to the Registrar or to DTC (or any successor depository), or any
36 consent given or other action taken by DTC (or any successor depository) as the
37 Registered Owner. For so long as any Bonds of a series are held in
38 fully-immobilized form hereunder, DTC or its successor depository shall be
39 deemed to be the Registered Owner for all purposes hereunder (except as
40 provided in Section 15), and all references herein to the Registered Owners shall
41 mean DTC (or any successor depository) or its nominee and shall not mean the
42 owners of any beneficial interest in such Bonds.

43
44 If any Bond shall be duly presented for payment and funds have not been
45 duly provided by the Municipality on such applicable date, then interest shall

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

3
4 (d) *Use of Depository.*

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

20
21 (2) Upon the resignation of DTC or its successor (or any
22 substitute depository or its successor) from its functions as
23 depository or a determination by the Authorized
24 Representative of the Municipality to discontinue the system
25 of book-entry transfers through DTC or its successor (or any
26 substitute depository or its successor), the Authorized
27 Representative of the Municipality may hereafter appoint a
28 substitute depository. Any such substitute depository shall be
29 qualified under any applicable laws to provide the services
30 proposed to be provided by it.

31
32 (3) In the case of any transfer pursuant to clause (A) or (B) of
33 subsection (1) above, the Registrar shall, upon receipt of all
34 outstanding Bonds of a series, together with a written request
35 from the Authorized Representative of the Municipality, issue
36 a single new Bond for each maturity of such series then
37 outstanding, registered in the name of such successor or such
38 substitute depository, or their nominees, as the case may be,
39 all as specified in such written request of the Authorized
40 Representative of the Municipality.

41
42 (4) In the event that (A) DTC or its successor (or substitute
43 depository or its successor) resigns from its functions as
44 depository, and no substitute depository can be obtained, or
45 (B) the Authorized Representative of the Municipality
46 determines that it is in the best interest of the Beneficial

1 Owners of the Bonds of such series that such owners be able
2 to obtain such Bonds in the form of Bond certificates, the
3 ownership of such Bonds may then be transferred to any
4 person or entity as herein provided, and shall no longer be
5 held in fully-immobilized form. The Authorized Representative
6 of the Municipality shall deliver a written request to the
7 Registrar, together with a supply of definitive Bonds of such
8 series, to issue Bonds of such series as herein provided in
9 any authorized denomination. Upon receipt by the Registrar
10 of all then outstanding Bonds of such series together with a
11 written request on behalf of the Assembly to the Registrar,
12 new Bonds of such series shall be issued in the appropriate
13 denominations and registered in the names of such persons
14 as are requested in such written request.

15
16 (e) *Registration of Transfer of Ownership or Exchange; Change in*
17 *Denominations.* The transfer of any Bond of a series may be
18 registered and Bonds of such series may be exchanged, but no
19 transfer of any such Bond shall be valid unless such Bond is
20 surrendered to the Registrar with the assignment form appearing on
21 such Bond duly executed by the Registered Owner or such
22 Registered Owner's duly authorized agent in a manner satisfactory
23 to the Registrar. Upon such surrender, the Registrar shall cancel the
24 surrendered Bond of such series and shall authenticate and deliver,
25 without charge to the Registered Owner or transferee therefor, a new
26 Bond (or Bonds at the option of the new Registered Owner) of the
27 same series, date, maturity, redemption provisions and interest rate
28 and for the same aggregate principal amount in any authorized
29 denomination, naming as Registered Owner the person or persons
30 listed as the assignee on the assignment form appearing on the
31 surrendered Bond, in exchange for such surrendered and cancelled
32 Bond. Any Bond may be surrendered to the Registrar and
33 exchanged, without charge, for an equal aggregate principal amount
34 of Bonds of the same series, date, maturity, redemption provisions
35 and interest rate, in any authorized denomination. The Registrar
36 shall not be obligated to register the transfer or to exchange any
37 Bond during the 15 days preceding the date any such Bond is to be
38 redeemed.

39
40 (f) *Registrar's Ownership of Bonds.* The Registrar may become the
41 Registered Owner of any Bond with the same rights it would have if it
42 were not the Registrar, and to the extent permitted by law, may act
43 as depository for and permit any of its officers or directors to act as
44 member of, or in any other capacity with respect to, any committee
45 formed to protect the right of the Registered Owners of Bonds.
46

1 (g) *Registration Covenant.* The Municipality covenants that, until all
2 Bonds of a series have been surrendered and cancelled, it will
3 maintain a system for recording the ownership of each Bond of such
4 series that complies with the provisions of Section 149 of the Code.
5

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

15 In the event that such series of Bonds are no longer in fully immobilized
16 form, interest on such series of Bonds shall be paid by check or draft mailed to the
17 Registered Owners at the addresses for such Registered Owners appearing on
18 the Bond Register on the 15th day of the month preceding the interest payment
19 date, and principal of such series of Bonds shall be payable upon presentation and
20 surrender of such Bonds by the Registered Owners at the principal office of the
21 Registrar; provided, however, that if so requested in writing by the Registered
22 Owner of at least \$1,000,000 principal amount of such series of Bonds, interest
23 will be paid by wire transfer on the date due to an account with a bank located
24 within the United States.
25

26 **Section 6. Redemption and Purchase of Bonds.**
27

28 (a) *Optional Redemption.* Each series of Bonds may be subject to
29 optional redemption on the dates, at the price of par, and under the
30 terms set forth in the Approved Bid or Official Notice of Sale or the
31 Bond Purchase Contract for such series of Bonds and as approved
32 by the Authorized Representative of the Municipality pursuant to
33 Section 12.
34

35 (b) *Mandatory Redemption.* Each series of Bonds may be subject to
36 mandatory redemption to the extent, if any, set forth in the Approved
37 Bid or Official Notice of Sale or the Bond Purchase Contract for such
38 series of Bonds and as approved by the Authorized Representative
39 of the Municipality pursuant to Section 12.
40

41 (c) *Purchase of Bonds for Retirement.* The Municipality reserves the
42 right to purchase any of the Bonds of a series offered to the
43 Municipality at any price deemed reasonable to the Authorized
44 Representative of the Municipality.
45

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

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

40 (f) *Notice of Redemption.*

41
42
43 (1) Official Notice. Unless waived by any owner of Bonds to be
44 redeemed, official notice of any such redemption (which
45 notice may be conditional) shall be given by the Registrar on
46 behalf of the Municipality by mailing a copy of an official

1 redemption notice by first class mail at least 30 days and not
2 more than 60 days prior to the date fixed for redemption to the
3 Registered Owner of the Bond or Bonds to be redeemed at
4 the address shown on the Bond Register or at such other
5 address as is furnished in writing by such registered owner to
6 the Registrar.
7

8 All official notices of redemption shall be dated and shall state:
9

- 10 (A) the redemption date,
11
12 (B) the redemption price,
13
14 (C) if fewer than all outstanding Bonds are to be redeemed,
15 the identification by series, maturity (and, in the case of
16 partial redemption, the respective principal amounts) of
17 the Bonds to be redeemed,
18
19 (D) that on the redemption date the redemption price will
20 become due and payable upon each such Bond or
21 portion thereof called for redemption, and that interest
22 thereon shall cease to accrue from and after said date,
23 and
24
25 (E) the place where such Bonds are to be surrendered for
26 payment of the redemption price, which place of
27 payment shall be the principal office of the Registrar.
28

29 On or prior to any redemption date, the Municipality shall deposit with the
30 Registrar an amount of money sufficient to pay the redemption price of all the
31 Bonds or portions of Bonds which are to be redeemed on that date.
32

- 33 (2) Effect of Notice; Bonds Due. If an unconditional notice of
34 redemption has been given, the Bonds or portions of Bonds
35 so to be redeemed shall, on the redemption date, become due
36 and payable at the redemption price therein specified, and
37 from and after such date (unless the Municipality shall default
38 in the payment of the redemption price) such Bonds or
39 portions of Bonds shall cease to bear interest. Upon
40 surrender of such Bonds for redemption in accordance with
41 said notice, such Bonds shall be paid by the Registrar at the
42 redemption price. Installments of interest due on or prior to
43 the redemption date shall be payable as herein provided for
44 payment of interest. Upon surrender for any partial
45 redemption of any Bond, there shall be prepared for the
46 Registered Owner a new Bond or Bonds of the same series

1 and maturity in the amount of the unpaid principal. All Bonds
2 which have been redeemed shall be canceled and destroyed
3 by the Registrar and shall not be reissued.
4

5 (3) Additional Notice. In addition to the foregoing notice, further
6 notice shall be given by the Municipality as set out below, but
7 no defect in said further notice nor any failure to give all or any
8 portion of such further notice shall in any manner defeat the
9 effectiveness of a call for redemption if notice thereof is given
10 as above prescribed. Each further notice of redemption given
11 hereunder shall contain the information required above for an
12 official notice of redemption plus (A) the CUSIP numbers of all
13 Bonds being redeemed; (B) the date of issue of the Bonds as
14 originally issued; (C) the rate of interest borne by each Bond
15 being redeemed; (D) the maturity date of each Bond being
16 redeemed; and (E) any other descriptive information needed
17 to identify accurately the Bonds being redeemed. Each
18 further notice of redemption may be sent at least 35 days
19 before the redemption date to the Insurer, if any, the party
20 entitled to receive notice pursuant to Section 15, and to the
21 underwriter specified in the Approved Bid and/or the Bond
22 Purchase Contract for such series of Bonds or to its business
23 successor, if any, and to such persons and with such
24 additional information as the Authorized Representative of the
25 Municipality shall deem appropriate, but such mailings shall
26 not be a condition precedent to the redemption of such Bonds.
27

28 (4) Upon the payment of the redemption price of Bonds being
29 redeemed, each check or other transfer of funds issued for
30 such purpose shall bear the CUSIP number identifying, by
31 issue and maturity, the Bonds being redeemed with the
32 proceeds of such check or other transfer.
33

34 (5) Amendment of Notice Provisions. The foregoing notice
35 provisions of this Section 6, including but not limited to the
36 information to be included in redemption notices and the
37 persons designated to receive notices, may be amended by
38 additions, deletions and changes in order to maintain
39 compliance with duly promulgated regulations and
40 recommendations regarding notices of redemption of
41 municipal securities.
42

43 **Section 7.** Form of Bonds. Each series of Bonds shall be in substantially the
44 following form:
45

46 [STATEMENT OF INSURANCE]

1
2 UNITED STATES OF AMERICA
3

4 NO. _____

\$ _____

5 STATE OF ALASKA
6

7 MUNICIPALITY OF ANCHORAGE
8

9 [2010][year of issuance] GENERAL OBLIGATION BOND,
10 SERIES ____ (SCHOOLS)
11 [TAXABLE BUILD AMERICA BONDS – DIRECT PAY]
12 [QUALIFIED SCHOOL CONSTRUCTION BONDS]
13 [RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS]
14
15

16 INTEREST RATE: MATURITY DATE: CUSIP NO.:

17 REGISTERED OWNER: CEDE & CO.

18 PRINCIPAL AMOUNT:
19

20 The MUNICIPALITY OF ANCHORAGE, ALASKA (the "Municipality"),
21 hereby acknowledges itself to owe and for value received promises to pay to the
22 Registered Owner identified above, or registered assigns, on the Maturity Date
23 identified above, the Principal Amount indicated above and to pay interest thereon
24 from _____, [2010][year of issuance], or the most recent date to which
25 interest has been paid or duly provided for until payment of this bond at the
26 Interest Rate set forth above, payable on the first days of each _____ and
27 _____, commencing on _____ 1, 20___. Both principal of and interest on
28 this bond are payable in lawful money of the United States of America. For so
29 long as the bonds of this issue are held in fully immobilized form, payments of
30 principal and interest thereon shall be made as provided in accordance with the
31 operational arrangements of The Depository Trust Company ("DTC") referred to in
32 the Blanket Issuer Letter of Representations (the "Letter of Representations") from
33 the Municipality to DTC. _____ is acting as the registrar,
34 authenticating agent and paying agent for the bonds of this issue (the "Registrar").

35 This bond is one of an authorized issue of bonds of like date and tenor,
36 except as to number, amount, rate of interest and date of maturity, in the
37 aggregate principal amount of \$_____ (the "Bonds"), and is issued pursuant
38 to Ordinance No. AO _____ (the "Bond Ordinance") approved by the Assembly
39 on _____, 2010 to provide funds for capital improvements to school facilities
40 of the Municipality as authorized by ordinances of the Assembly and approved by
41 the qualified electors of the Municipality at elections held therein on April 3, 2007
42 and April 1, 2008. Capitalized terms used in this bond and not otherwise defined
43 shall have the meanings given them in the Bond Ordinance.

1 The bonds of this issue are [not] subject to redemption prior to their stated
2 maturities as stated in the [official notice of sale/bond purchase contract] for the
3 Bonds.

4 The bonds of this issue are issued under and in accordance with the
5 provisions of the Constitution and applicable statutes of the state of Alaska and
6 ordinances and resolutions duly adopted by the Assembly of the Municipality,
7 including the Bond Ordinance.

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

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

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

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

1 IN WITNESS WHEREOF, the Municipality of Anchorage, Alaska has
2 caused this bond to be executed by the manual or facsimile signatures of the
3 [Mayor][Municipal Manager], attested by the [Deputy] Clerk and a facsimile of the
4 seal of the Municipality to be reproduced, imprinted or impressed hereon as of this
5 ____ day of _____, [2010][year 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
19 substantially 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
24 Ordinance and is one of the Municipality of Anchorage, Alaska [2010][year of
25 issuance] General Obligation Bonds, Series ____ (Schools), dated _____,
26 [2010][year of issuance].

27 _____ as
28 Registrar
29

30
31 By _____
32 Authorized Signer

33 The additional form of Qualified School Construction Bonds and strip
34 certificates related thereto shall be as set forth in the Paying Agent Agreement.

35 **Section 8. Execution of Bonds.** The Bonds of each series shall be executed on
36 behalf of the Municipality with the manual or facsimile signatures of the Mayor or
37 the Municipal Manager, shall be attested by the Clerk or the Deputy Clerk, and the
38 seal of the Municipality shall be impressed, imprinted or otherwise reproduced on
39 each Bond.
40

1 Only such Bonds as shall bear thereon a Certificate of Authentication in the
2 form hereinbefore recited, manually executed by the Registrar, shall be valid or
3 obligatory for any purpose or entitled to the benefits of this ordinance. Such
4 Certificate of Authentication shall be conclusive evidence that the Bonds so
5 authenticated have been duly executed, authenticated and delivered hereunder
6 and are entitled to the benefits of this ordinance.
7

8 In case either of the officers who shall have executed the Bonds shall cease
9 to be an officer or officers of the Municipality before the Bonds so signed shall
10 have been authenticated or delivered by the Registrar, or issued by the
11 Municipality, such Bonds may nevertheless be authenticated, delivered and issued
12 and upon such authentication, delivery and issuance, shall be as binding upon the
13 Municipality as though those who signed the same had continued to be such
14 officers of the Municipality. Any Bond also may be signed and attested on behalf
15 of the Municipality by such persons who are at the actual date of delivery of such
16 Bond the proper officers of the Municipality although at the original date of such
17 Bond any such person shall not have been such officer of the Municipality.
18

19 **Section 9. Pledge of Taxes and Credit.** For the purpose of paying debt service
20 on the Bonds, the Assembly hereby authorizes the creation of a fund to be
21 designated as the [2010__][year of issuance] General Obligation Debt Service
22 Fund (the "Debt Service Fund") into which the Municipality shall cause to be
23 deposited on or before the date due amounts sufficient to pay the principal of and
24 interest on the Bonds as it comes due. The Municipality hereby irrevocably
25 covenants that, unless the principal of and interest on the Bonds are paid from
26 other sources, it will make annual levies of taxes without limitation as to rate or
27 amount upon all of the property in the Municipality subject to taxation in amounts
28 sufficient to pay such principal and interest as the same shall become due. The
29 full faith, credit and resources of the Municipality are hereby irrevocably pledged
30 for the annual levy and collection of such taxes and for the prompt payment of
31 such principal and interest.
32

33 **Section 10. Defeasance.** In the event that money and/or Acquired Obligations,
34 maturing at such time or times and bearing interest to be earned thereon in
35 amounts (together with such money, if necessary) sufficient to redeem and retire
36 part or all of a series of Bonds in accordance with their terms, are set aside in a
37 special account of the Municipality to effect such redemption and retirement, and
38 such monies and the principal of and interest on such Acquired Obligations are
39 irrevocably set aside and pledged for such purpose, then no further payments
40 need be made into the Debt Service Fund of the Municipality for the payment of
41 the principal of and interest on such series of Bonds so provided for, and such
42 Bonds shall cease to be entitled to any lien, benefit or security of this ordinance
43 except the right to receive the monies so set aside and pledged, and such Bonds
44 shall be deemed not to be outstanding hereunder.
45

1 Within 60 days of any defeasance of Bonds the Registrar shall provide
2 notice of defeasance of Bonds to Registered Owners and to the party entitled to
3 receive notice pursuant to Section 15.
4

5 **Section 11. Tax Covenants.** The covenants of this section shall be applicable to
6 any Bonds issued as tax-exempt obligations or Bonds that are required to observe
7 the applicable rules and regulations under the Code for tax-exempt bonds.
8

9 (a) *Arbitrage Covenant.* The Municipality hereby covenants that it will
10 not make any use of the proceeds of sale of the Bonds or any other
11 funds of the Municipality which may be deemed to be proceeds of
12 such Bonds pursuant to Section 148 of the Code which will cause
13 the Bonds to be "arbitrage bonds" within the meaning of said section
14 and said regulations. The Municipality will comply with the
15 requirements of Section 148 of the Code (or any successor provision
16 thereof applicable to the Bonds) and the applicable regulations
17 thereunder throughout the term of the Bonds.
18

19 (b) *Private Person Use Limitation for Bonds.* The Municipality
20 covenants that for as long as the Bonds are outstanding, it will not
21 permit:
22

23 (1) More than 10% of the Net Proceeds of the Bonds to be used
24 for any Private Person Use; and
25

26 (2) More than 10% of the principal or interest payments on the
27 Bonds in a bond year to be directly or indirectly: (A) secured
28 by any interest in property used or to be used for any Private
29 Person Use or secured by payments in respect of property
30 used or to be used for any Private Person Use, or (B) derived
31 from payments (whether or not made to the Municipality) in
32 respect of property, or borrowed money, used or to be used
33 for any Private Person Use.
34

35 The Municipality further covenants that, if:
36

37 (3) More than five percent of the Net Proceeds of the Bonds are
38 to be used for any Private Person Use; and
39

40 (4) More than five percent of the principal or interest payments on
41 the Bonds in a bond year are (under the terms of this
42 ordinance or any underlying arrangement) directly or
43 indirectly: (A) secured by any interest in property used or
44 to be used for any Private Person Use or secured by payments
45 in respect of property used or to be used for any Private
46 Person Use, or (B) derived from payments (whether or not

1 made to the Municipality) in respect of property, or borrowed
2 money, used or to be used for any Private Person Use, then,
3 (A) any Private Person Use of the Projects described in
4 subsection (3) hereof or Private Person Use payments
5 described in subsection (4) hereof that is in excess of the five
6 percent limitations described in such subsections (3) or (4) will
7 be for a Private Person Use that is related to the state or local
8 governmental use of the Projects financed or refinanced with
9 Bond proceeds, and (B) any Private Person Use will not
10 exceed the amount of Net Proceeds of the Bonds used for the
11 state or local governmental use portion of the projects to
12 which the Private Person Use of such portion of such projects
13 relates. The Municipality further covenants that it will comply
14 with any limitations on the use of the projects by other than
15 state and local governmental users that are necessary, in the
16 opinion of its bond counsel, to preserve the tax exemption of
17 the interest on the Bonds. The covenants of this section are
18 specified solely to assure the continued exemption from
19 regular income taxation of the interest on the Bonds.
20

21 The Bonds shall not be "qualified tax-exempt obligations" under Section
22 265(b)(3) of the Code for investment by financial institutions, as the Municipality is
23 issuing more than \$30,000,000 in qualified tax-exempt obligations during the year
24 in which the Bonds are being issued.
25

26 **Section 12. Sale of Bonds.** The Assembly has determined that it would be in the
27 best interest of the Municipality to delegate to the Authorized Representative of the
28 Municipality the authority to confirm the manner of sale, to evaluate and determine
29 whether the bonds of a series are to be sold as Build America Bonds, Recovery
30 Zone Economic Development Bonds, Qualified School Construction Bonds, or
31 governmental bonds, the interest on which is exempt from federal income taxation,
32 and approve the final interest rates, maturity dates, the final principal amount,
33 including original issue premium, if any, to be allocated to each of the
34 authorizations, aggregate principal amount, principal amounts of each maturity,
35 redemption rights and other terms and conditions of each series of Bonds. The
36 Authorized Representative of the Municipality is hereby authorized to confirm the
37 manner of sale, to determine whether the bonds of a series are to be sold as Build
38 America Bonds, Recovery Zone Economic Development Bonds, Qualified School
39 Construction Bonds, or governmental bonds, the interest on which is exempt from
40 federal income taxation, and approve the final interest rates, maturity dates, the
41 final principal amount to be allocated to each of the authorizations, aggregate
42 principal amount, principal maturities and redemption rights for each series of
43 Bonds in the manner provided hereafter so long as (i) the aggregate principal
44 amount of the Bonds does not exceed \$33,870,000; and (ii) the true interest cost
45 for the Bonds of a series (in the aggregate and specifically excluding the tax credit
46 in the case of Qualified School Construction Bonds) does not exceed 7.00% (with

1 the true interest cost for Bonds issued as taxable bonds determined net of the
2 receipt of any federal subsidy). The Authorized Representative of the Municipality
3 is further authorized to make an irrevocable designation under Section 54AA of the
4 Code of any Bonds that are to be sold as Build America Bonds, and the
5 Municipality will take such additional actions as are required to qualify such Bonds
6 as Build America Bonds and maintain such qualification and further to seek
7 reimbursement of the applicable federal subsidy in the future on a timely basis.
8 The Authorized Representative of the Municipality is further authorized to make a
9 designation under Section 1400 U-2 of the Code of any Bonds that are to be sold
10 as Recovery Zone Economic Development Bonds, and the Municipality will take
11 such additional actions as are required to qualify such Bonds as Recovery Zone
12 Economic Development Bonds and maintain such qualification and further to seek
13 reimbursement of the applicable federal subsidy in the future on a timely basis.
14 The Authorized Representative of the Municipality is further authorized to make a
15 designation under Section 54F of the Code of any Bonds that are to be sold as
16 Qualified School Construction Bonds, and the Municipality will take such additional
17 actions as are required to qualify such Bonds as Qualified School Construction
18 Bonds.

19
20 In determining whether the bonds will be sold in one or more series, as
21 Build America Bonds, Recovery Zone Economic Development Bonds, Qualified
22 School Construction Bonds, or governmental bonds, the interest on which is
23 exempt from federal income taxation, the final interest rates, maturity dates, the
24 final principal amount, including original issue premium, if any, to be allocated to
25 each of the authorizations, aggregate principal amount, principal maturities and
26 redemption rights of each series of Bonds, the Authorized Representative of the
27 Municipality, in consultation with Municipality staff and the Municipality's financial
28 advisor, shall take into account those factors that, in her/his judgment, will result in
29 the lowest true interest cost on the Bonds to their maturity, including, but not
30 limited to current financial market conditions and current interest rates for
31 obligations comparable in tenor and quality to such series of Bonds.

32
33 Each series of Bonds shall be sold by Competitive Sale or Negotiated Sale.
34 The Authorized Representative of the Municipality is hereby authorized to confirm,
35 in her/his discretion, whether such series of Bonds shall be sold by Negotiated
36 Sale or by a Competitive Sale.

37
38 If a series of Bonds are sold by Negotiated Sale, the Authorized
39 Representative of the Municipality shall select one or more underwriting firms to
40 underwrite such series of Bonds through a process of soliciting proposals for
41 underwriting. Upon the selection of one or more underwriters, the Authorized
42 Representative of the Municipality shall negotiate the terms of sale for such series
43 of Bonds, including the terms described in this section, in a contract of sale (the
44 "Bond Purchase Contract").
45

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

20 Subject to the terms and conditions set forth in this Section 12, the
21 Authorized Representative of the Municipality is hereby authorized to accept an
22 Approved Bid in a Competitive Sale and/or execute the final form of a Bond
23 Purchase Contract in a Negotiated Sale, upon her/his approval of the final interest
24 rates, maturity dates, aggregate principal amounts, principal maturities and
25 redemption rights for such series of Bonds set forth therein. Following the sale of
26 such series of Bonds, the Authorized Representative of the Municipality shall
27 provide a report to the Assembly, describing the final terms of such series of
28 Bonds approved pursuant to the authority delegated in this section.
29

30 Upon the adoption of this ordinance, the proper officials of the Municipality
31 including the Authorized Representative of the Municipality, are authorized and
32 directed to undertake all other actions necessary for the prompt sale, execution
33 and delivery of the Bonds and further to execute all closing certificates and
34 documents required to effect the closing and delivery of the Bonds in accordance
35 with the terms of the Official Notice of Sale, Approved Bid and/or Bond Purchase
36 Contract for each series. Further, if the Bonds of a series are sold as Build
37 America Bonds or Recovery Zone Economic Development Bonds, the Authorized
38 Representative of the Municipality, at her/his discretion, is authorized to negotiate
39 and execute a calculation agency agreement with the Registrar with respect to
40 filings for reimbursement of interest from the United State of America.
41

42 The Authorized Representative of the Municipality is authorized to ratify and
43 to approve for purposes of the Rule, on behalf of the Municipality, an Official
44 Statement (and any Preliminary Official Statement) and any supplement thereto
45 relating to the issuance and sale of each series of the Bonds and the distribution of

1 the Bonds pursuant thereto with such changes, if any, as may be deemed by
2 her/him to be appropriate.

3
4 The authority granted to the Authorized Representative of the Municipality
5 by this section shall remain in effect until December 31, 2010, and if an Approved
6 Bid and/or Bond Purchase Contract has not been accepted/executed by
7 December 31, 2010, the authority granted by this section shall lapse unless
8 extended by an action of the Assembly.
9

10 **Section 13. Bond Insurance.** The payments of the principal of and interest on
11 one or more principal maturities of a series of Bonds may be insured by the
12 issuance of a Bond Insurance Policy. The Authorized Representative of the
13 Municipality, with the assistance of the Municipality's financial advisor, is hereby
14 further authorized and directed to qualify the Bonds for insurance and/or solicit
15 proposals from municipal bond insurance companies for the issuance of a Bond
16 Insurance Policy. The Official Notice of Sale may provide that bond insurance is a
17 bidder's option, or the Authorized Representative of the Municipality may select an
18 Insurer. In the event that the Authorized Representative of the Municipality
19 receives multiple proposals, the Authorized Representative of the Municipality may
20 select the proposal that is expected to result in the overall lowest interest cost with
21 respect to such series of Bonds. The Authorized Representative of the
22 Municipality may execute a commitment received from each Insurer selected by
23 the Authorized Representative of the Municipality. The Assembly further
24 authorizes and directs all proper officers, agents, attorneys and employees of the
25 Municipality to cooperate with the Insurer in preparing such additional agreements,
26 certificates, and other documentation on behalf of the Municipality as shall be
27 necessary or advisable in providing for the applicable Bond Insurance Policy.
28

29 **Section 14. Application of Bond Proceeds.** The net proceeds of the sale of a
30 series of Bonds received by the Municipality shall be deposited in the hereby
31 authorized funds and accounts of the Municipality. There is hereby authorized to
32 be created the [2010__][year of issuance] Project Construction Account (the
33 "Project Account") to be held and maintained in the custody of the Paying Agent
34 pursuant to the terms of the Paying Agent Agreement. The Project Account
35 maintained by the Paying Agent may be further subdivided into accounts or
36 subaccounts for each of the voter authorizations described in Section 4.
37

38 All moneys and securities deposited with the Paying Agent pursuant to the
39 terms of the Paying Agent Agreement shall be applied, and invested, only in
40 accordance with the provisions of the Paying Agent Agreement. All income
41 earned, or gains realized, as a result of the investment of amounts in funds or
42 accounts created pursuant to the terms of the Paying Agent Agreement shall be
43 deposited therein and constitute a part thereof.
44

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

- 3
- 4 (a) A portion of original issue premium, if any, may be designated by the
5 Authorized Representative of the Municipality, for deposit in the
6 Municipality's Debt Service Fund, and shall be used to pay a portion
7 of the interest on such series of Bonds coming due on the first
8 interest payment date.
- 9
- 10 (b) The balance of the net proceeds derived from such series of Bonds
11 shall be deposited in the Project Account for that series
12 (hereinabove established) to be maintained by the Registrar and
13 shall be expended solely to pay the cost of issuing and selling such
14 series of Bonds and the costs of capital improvements, as authorized
15 by the respective Election Ordinances. None of the proceeds of
16 such series of Bonds shall be used for any purpose other than a
17 capital purpose. If original issue premium received upon the sale of
18 such series of Bonds exceeds costs of issuance of such series of
19 Bonds (and is not used to pay debt service as provided in (a) above),
20 the Authorized Representative of the Municipality may allocate such
21 premium to pay costs of capital improvements authorized by one or
22 more of the Election Ordinances. The amount of original issue
23 premium so allocated to voter authorization(s) shall reduce the
24 remaining amount of such voter authorization(s).

25

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

- 27
- 28 (a) *Contract/Undertaking.* This section constitutes the Municipality's
29 written undertaking for the benefit of the owners (including Beneficial
30 Owners) of the Bonds as required by Section (b)(5) of the Rule.
- 31
- 32 (b) *Financial Statements/Operating Data.* The Municipality agrees to
33 provide or cause to be provided to the Municipal Securities
34 Rulemaking Board ("MSRB"), the Municipality's audited annual
35 financial statements, including the notes thereto and the statistical
36 data included in the Comprehensive Annual Financial Report of the
37 Municipality (the "Annual Disclosure Report").

38

39 Such annual information and operating data described above shall be so
40 provided on or before the expiration of 210 days after the end of the Municipality's
41 fiscal year for each year commencing in 2011 for the fiscal year ending on
42 December 31, 2010 (the "Submission Date"). The Municipality may adjust the
43 Submission Date if the Municipality changes its fiscal year by providing written
44 notice of the change of fiscal year and the new reporting date to the MSRB. In lieu
45 of providing such annual financial information and operating data, the Municipality

1 may cross-reference to other documents available to the public on the MSRB's
2 internet website.

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

12
13 (c) *Material Events.* The Municipality agrees to provide or cause to be
14 provided, in a timely manner to the MSRB notice of the occurrence of
15 any of the following events with respect to the Bonds, if material:

- 16 • Principal and interest payment delinquencies;
- 17 • Non-payment related defaults;
- 18 • Unscheduled draws on debt service reserves reflecting financial
19 difficulties;
- 20 • Unscheduled draws on credit enhancements reflecting financial
21 difficulties;
- 22 • Substitution of credit or liquidity providers, or their failure to
23 perform;
- 24 • Adverse tax opinions or events affecting the tax-exempt status of
25 the Bonds;
- 26 • Modifications to rights of owners;
- 27 • Optional, contingent or unscheduled Bond calls other than
28 scheduled sinking fund redemptions for which notice is given
29 pursuant to Exchange Act Release 34-23856;
- 30 • Defeasances;
- 31 • Release, substitution or sale of property securing the repayment
32 of the Bonds; and
- 33 • Rating changes.

34
35
36 (d) *Notification Upon Failure to Provide Financial Data.* The Municipality
37 agrees to provide or cause to be provided, in a timely manner to the
38 MSRB notice of its failure to provide the annual financial information
39 described in subsection (b) above on or prior to the date set forth in
40 subsection (b) above.

41
42 (e) *EMMA; Format for Filings with the MSRB.* Until otherwise
43 designated by the MSRB or the SEC, any information or notices
44 submitted to the MSRB in compliance with the Rule are to be
45 submitted through the MSRB's Electronic Municipal Market Access
46 system ("EMMA"), currently located at www.emma.msrb.org. All

1 notices, financial information and operating data required by this
2 undertaking to be provided to the MSRB must be in an electronic
3 format as prescribed by the MSRB. All documents provided to the
4 MSRB pursuant to this undertaking must be accompanied by
5 identifying information as prescribed by the MSRB.
6

7 (f) *Termination/Modification.* The Municipality's obligations to provide
8 annual financial information and notices of material events shall
9 terminate upon the defeasance, prior redemption or payment in full
10 of all of the Bonds. This section, or any provision hereof, shall be
11 null and void if the Municipality (1) obtains an opinion of nationally
12 recognized bond counsel to the effect that those portions of the Rule
13 which require this section, or any such provision, are invalid, have
14 been repealed retroactively or otherwise do not apply to the Bonds;
15 and (2) notifies the MSRB of such opinion and the cancellation of this
16 section. Notwithstanding any other provision of this ordinance, the
17 Municipality may amend this Section 15 and any provision of this
18 Section 15 may be waived with an approving opinion of nationally
19 recognized bond counsel.
20

21 (g) *Notice of Final Expenditure of Qualified School Construction Bonds.*
22 The Municipality agrees to provide or cause to be provided, in a
23 timely manner to the MSRB, notice of the final expenditure of bond
24 proceeds for any Qualified School Construction Bonds.
25

26 In the event of any amendment of or waiver of a provision of this
27 Section 15, the Municipality shall describe such amendment in the next annual
28 report, and shall include, as applicable, a narrative explanation of the reason for
29 the amendment or waiver and its impact on the type (or in the case of a change of
30 accounting principles, on the presentation) of financial information or operating
31 data being presented by the Municipality. In addition, if the amendment relates to
32 the accounting principles to be followed in preparing financial statements, (I) notice
33 of such change shall be given in the same manner as for a material event under
34 Subsection (c), and (II) the annual report for the year in which the change is made
35 should present a comparison (in narrative form and also, if practical, in quantitative
36 form) between the financial statements as prepared on the basis of the new
37 accounting principles and those prepared on the basis of the former accounting
38 principles.
39

40 (h) *Bond Owner's Remedies Under This Section.* A Bond owner's right
41 to enforce the provisions of this section shall be limited to a right to
42 obtain specific enforcement of the Municipality's obligations
43 hereunder, and any failure by the Municipality to comply with the
44 provisions of this undertaking shall not be an event of default with
45 respect to the Bonds under this ordinance.
46

1 **Section 16. Prohibited Sale of Bonds.** No person, firm or corporation, or any
2 agent or employee thereof, acting as financial consultant to the Municipality under
3 an agreement for payment in connection with the sale of the Bonds, is eligible to
4 purchase the Bonds as a member of the original underwriting syndicate either at
5 public or private sale.
6

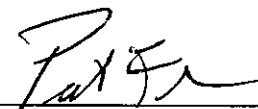
7 **Section 17. Miscellaneous.** No recourse shall be had for the payment of the
8 principal of or the interest on the Bonds or for any claim based thereon or on this
9 ordinance against any member of the Assembly or officer of the Municipality or
10 any person executing the Bonds. The Bonds are not and shall not be in any way a
11 debt or liability of the State of Alaska or of any political subdivision thereof, except
12 the Municipality, and do not and shall not create or constitute an indebtedness or
13 obligation, either legal, moral or otherwise, of said State or of any political
14 subdivision thereof, except the Municipality.
15

16 **Section 18. Authorization to Amend Ordinance No. AO 2009-76.** The Authorized
17 Representative of the Municipality is hereby directed to prepare an amendment to
18 Exhibit A attached to Ordinance No. AO 2009-76, to include all Bonds issued
19 under the terms of this ordinance to be included on Exhibit A, as refunding
20 candidates under the terms of Ordinance No. AO 2009-76 and deliver the same to
21 the Municipal Clerk for attachment to Ordinance No. AO 2009-76, and
22 Ordinance No. AO 2009-76, as so amended is hereby ratified, approved and
23 confirmed.
24

25 **Section 19. Severability.** If any one or more of the covenants or agreements
26 provided in this ordinance to be performed on the part of the Municipality shall be
27 declared by any court of competent jurisdiction to be contrary to law, then such
28 covenant or covenants, agreement or agreements, shall be null and void and shall
29 be deemed separable from the remaining covenants and agreements of this
30 ordinance and shall in no way affect the validity of the other provisions of this
31 ordinance or of the Bonds.
32

33 **Section 20. Effective Date.** This ordinance shall be effective immediately upon
34 passage and approval by the Assembly.
35

36 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
37 2nd day of March, 2010.
38

39
40 By 
41 _____
42 Chair of the Assembly

42 ATTEST:

43 
44 _____
45 Municipal Clerk
46

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2010-17

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$33,870,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY FOR THE PURPOSE OF FINANCING THE COSTS OF RENEWING AND REPLACING CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF CHESTER VALLEY AND SAND LAKE ELEMENTARY SCHOOLS, DESIGN PLANS FOR GIRDWOOD K-8 SCHOOL AND FOR EDUCATIONAL CAPITAL IMPROVEMENTS FOR DISTRICTWIDE MAJOR BUILDINGS SYSTEMS RENEWAL 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 2009-76.

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2010-17**

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* This Table of Contents and the Cover Page are for convenience of reference and are not intended to be a part of this ordinance.

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - Anchorage Schools

AO Number: 2010-17

Title: AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$33,870,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY FOR THE PURPOSE OF FINANCING THE COSTS OF RENEWING AND REPLACING CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF CHESTER VALLEY AND SAND LAKE ELEMENTARY SCHOOLS, DESIGN PLANS FOR GIRDWOOD K-8 SCHOOL AND FOR EDUCATIONAL CAPITAL IMPROVEMENTS FOR DISTRICTWIDE MAJOR BUILDINGS SYSTEMS RENEWAL 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 2009-76.

Sponsor: Mayor
 Preparing Agency: Public Finance and Investments
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:					
	(Thousands of Dollars)				
	FY10	FY11	FY12	FY13	FY14
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	786*	1,571*	1,571*	1,571*	1,571*
5000 Capital Outlay					
TOTAL DIRECT COSTS:	786	1,571	1,571	1,571	1,571
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
FUNCTION COST:					
REVENUES:					
CAPITAL:					
POSITIONS:					
PUBLIC SECTOR ECONOMIC EFFECTS:					

Provides the public with new schools and repairs on existing schools necessary to meet ongoing educational infrastructure requirements of the community.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$1,571,000 assumes \$20,000,000 bonds are sold as a package at an average coupon of 4.75%, for 20 years. Debt Service is scheduled to have partial reimbursement by the State of Alaska subject to annual appropriation by the Alaska State Legislature.

* Subject to market rates and timing

Prepared by: Ross Risvold, Public Finance & Investments

Telephone: 343-6610



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 65-2010

Meeting Date: February 16, 2010

1 **From:** Mayor

2
3 **Subject:** AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
4 AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO
5 EXCEED \$33,870,000 IN AGGREGATE PRINCIPAL AMOUNT OF
6 GENERAL OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY
7 FOR THE PURPOSE OF FINANCING THE COSTS OF RENEWING AND
8 REPLACING CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF
9 CHESTER VALLEY AND SAND LAKE ELEMENTARY SCHOOLS,
10 DESIGN PLANS FOR GIRWOOD K-8 SCHOOL AND FOR
11 EDUCATIONAL CAPITAL IMPROVEMENTS FOR DISTRICTWIDE
12 MAJOR BUILDINGS SYSTEMS RENEWAL IN THE MUNICIPALITY;
13 DELEGATING CERTAIN MATTERS TO THE CHIEF FISCAL OFFICER
14 IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING
15 THE CHIEF FISCAL OFFICER TO CONFIRM THE MANNER OF SALE
16 OF THE BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE
17 MUNICIPALITY TO THE PAYMENT THEREOF; AND AUTHORIZING AN
18 AMENDMENT TO ORDINANCE NO. AO 2009-76.

19
20 The attached ordinance provides for the issuance of not to exceed \$33,870,000 General
21 Obligation Bonds (Schools) of voter authorized debt. The current schedule for the sale
22 and related matters calls for a public hearing on the ordinance on February 16, 2010.
23 The new money bond series will provide funds for capital projects as approved by the
24 voters as the funds are needed. Sale of the first series of bonds is anticipated to take
25 place by the end of March 2010.

26
27 The Chief Fiscal Officer is authorized by Section 12 of the ordinance to execute the sale
28 of the bonds in one or more series and in the best interests of the Municipality within
29 certain limits established in the ordinance, including a deadline to issue the debt by
30 December 31, 2010.

31
32 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE OF THE
33 MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR
34 THE ISSUANCE OF NOT TO EXCEED \$33,870,000 IN AGGREGATE PRINCIPAL
35 AMOUNT OF GENERAL OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY
36 FOR THE PURPOSE OF FINANCING THE COSTS OF RENEWING AND REPLACING

1 CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF CHESTER VALLEY AND
2 SAND LAKE ELEMENTARY SCHOOLS, DESIGN PLANS FOR GIRDWOOD K-8
3 SCHOOL AND FOR EDUCATIONAL CAPITAL IMPROVEMENTS FOR
4 DISTRICTWIDE MAJOR BUILDINGS SYSTEMS RENEWAL IN THE MUNICIPALITY;
5 DELEGATING CERTAIN MATTERS TO THE CHIEF FISCAL OFFICER IN
6 CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE CHIEF
7 FISCAL OFFICER TO CONFIRM THE MANNER OF SALE OF THE BONDS;
8 PLEDGING THE FULL FAITH AND CREDIT OF THE MUNICIPALITY TO THE
9 PAYMENT THEREOF; AND AUTHORIZING AN AMENDMENT TO ORDINANCE
10 NO. AO 2009-76.

11
12 Prepared by: Ross Risvold, Public Finance & Investments Manager
13 Recommended by: Lucinda Mahoney, CFO
14 Concurrence: Dennis A. Wheeler, Municipal Attorney
15 Concurrence: George J. Vakalis, Municipal Manager
16 Respectfully submitted: Daniel A. Sullivan, Mayor
17
18
19
20
21
22

Content ID: 008634

Type: Ordinance - AO

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$33,870,000 IN AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION SCHOOLS BONDS OF THE MUNICIPALITY FOR THE PURPOSE OF FINANCING THE COSTS OF RENEWING AND REPLACING CLARK MIDDLE SCHOOL, ADDITION AND RENEWAL OF CHESTER VALLEY AND SAND LAKE ELEMENTARY SCHOOLS, DESIGN PLANS FOR GIRDWOOD K-8

Title: SCHOOL AND FOR EDUCATIONAL CAPITAL IMPROVEMENTS FOR DISTRICTWIDE MAJOR BUILDINGS SYSTEMS RENEWAL 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 2009-76

Author: pruittns

Initiating Dept: Finance

Keywords: Schools, Bonds, General Obligations, G.O. Bonds, Financing, Improvements

Date Prepared: 1/22/10 2:17 PM

Director Name: Lucinda Mahoney

Assembly Meeting Date: ~~2/2/10~~ 2/16/10

Public Hearing Date: ~~2/16/10~~ 3/2/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/25/10 8:21 AM	Exit	Joy Maglaqui	Public	008634
MuniManager_SubWorkflow	1/25/10 8:21 AM	Approve	Joy Maglaqui	Public	008634
Legal_SubWorkflow	1/22/10 3:26 PM	Approve	Dean Gates	Public	008634
OMB_SubWorkflow	1/22/10 3:23 PM	Approve	Cheryl Frasca	Public	008634
Finance_SubWorkflow	1/22/10 2:55 PM	Approve	Lucinda Mahoney	Public	008634
AllOrdinanceWorkflow	1/22/10 2:50 PM	Checkin	Nina Pruitt	Public	008634
Finance_SubWorkflow	1/22/10 2:27 PM	Reject	Lucinda Mahoney	Public	008634
AllOrdinanceWorkflow	1/22/10 2:20 PM	Checkin	Nina Pruitt	Public	008634