

CITY AND BOROUGH OF SITKA, ALASKA

RESOLUTION NO. 2020-13

**A RESOLUTION of the Assembly of the City and Borough of Sitka, Alaska, approving Sitka’s participation in a proposed refinancing by the Alaska Municipal Bond Bank of certain of its 2010 general obligation bonds, which provided funds to purchase electric revenue bonds issued by Sitka to the Bond Bank under a loan agreement between Sitka and the Bond Bank; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into an amendatory loan agreement with the Bond Bank setting forth revised debt service schedules for the loans evidenced by Sitka’s 2010 bonds, in accordance with the 2010 loan agreement, if the Bond Bank successfully refinances its 2010 bonds; authorizing the issuance of amended electric revenue bonds to the Bond Bank to evidence the refinanced loans; and establishing an effective date.**

**WHEREAS**, the City and Borough of Sitka, Alaska (“Sitka”), issued and sold its Electric Revenue Refunding Bond, 2010 Series A (Tax-Exempt Bank Qualified) (the “2010 Series A Bond”), its Electric Revenue and Refunding Bond, 2010 Series B (Taxable Recovery Zone Economic Development Bond – Direct Payment to Issuer) (the “2010 Series B Bond”), and its Electric Revenue and Refunding Bond, 2010 Series C (Taxable Build America Bond – Direct Payment to Issuer) (the “2010 Series C Bond,” and, together with the 2010 Series A Bond and 2010 Series B Bond, the “2010 Bonds”), to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by Ordinance No. 2010-29 (the “2010 Bond Ordinance”), on the terms and conditions set forth in the 2010 Bond Ordinance and in a loan agreement between Sitka and the Bond Bank dated as of December 1, 2010 (the “2010 Loan Agreement”); and

**WHEREAS**, to make the loans evidenced by the 2010 Bonds, the Bond Bank issued and sold its General Obligation Bonds, 2010A and 2010B Series Four (the “2010 Bond Bank Bonds”), to provide funds to purchase the 2010 Bonds, as provided in the 2010 Loan Agreement; and

**WHEREAS**, the 2010 Loan Agreement provides that payments of principal of and interest on the 2010 Bonds may be adjusted to reduce debt service if the Bond Bank is able to achieve debt service savings by refunding the 2010 Bond Bank Bonds; and

**WHEREAS**, the Bond Bank now intends to issue a series of its general obligation bonds (the “2020 Bond Bank Bonds”) for the purpose, among others, of refunding the 2010 Bond Bank Bonds to achieve debt service savings; and

**WHEREAS**, the Assembly wishes to approve Sitka’s participation in this refinancing and to authorize the Municipal Administrator and Chief Finance and Administrative Officer to approve

47 revised debt service schedules for the 2010 Bonds if the Bond Bank successfully refinances the  
48 2010 Bond Bank Bonds;

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50 **NOW, THEREFORE, BE IT RESOLVED** by the Assembly of the City and Borough of  
51 Sitka, as follows:

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53 Section 1. Approval of Refinancing. The Assembly hereby approves Sitka's  
54 participation in the Bond Bank's refinancing of the 2010 Bond Bank Bonds and authorizes the  
55 Municipal Administrator and Chief Finance and Administrative Officer to approve revised  
56 principal payment amounts and interest rates for the 2010 Bonds (in accordance with Section 6 of  
57 the 2010 Loan Agreement), so long as the revised debt service schedules are financially  
58 advantageous to Sitka. The revised schedules of debt service on the 2010 Bonds and other  
59 provisions as may be required by the Bond Bank will be set forth in (i) an amendatory loan  
60 agreement (the "Amendatory Loan Agreement") and (ii) if requested by the Bond Bank, amended  
61 electric revenue bonds (the "2020 Bonds") to be issued by Sitka to the Bond Bank in exchange for  
62 the 2010 Bonds.

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64 The Municipal Administrator or Chief Finance and Administrative Officer is authorized to  
65 execute and deliver the Amendatory Loan Agreement on behalf of Sitka and to deliver the 2020  
66 Bonds, executed in accordance with the provisions of the 2010 Bond Ordinance and this resolution,  
67 to the Bond Bank in exchange for the 2010 Bonds. The Municipal Administrator, Chief Finance  
68 and Administrative Officer, Municipal Attorney, and other appropriate officers and employees of  
69 Sitka are also hereby authorized to provide information about Sitka and its financial and legal  
70 affairs that the Bond Bank may request, including but not limited to information for the official  
71 statement for the 2020 Bond Bank Bonds.

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73 Section 2. Tax Covenants. Sitka covenants to undertake all actions required to  
74 maintain the tax-exempt status of interest on the 2020 Bonds under Section 103 of the Internal  
75 Revenue Code of 1986, as amended.

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77 Section 3. General Authorization. The Mayor, Municipal Administrator, Chief  
78 Finance and Administrative Officer, Municipal Clerk, Municipal Attorney, and any other  
79 appropriate officers, agents, attorneys and employees of Sitka are each hereby authorized and  
80 directed to cooperate with the Bond Bank and to take such steps, do such other acts and things,  
81 and execute such letters, certificates, agreements, assignments, or instruments as in their judgment  
82 may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete  
83 the transactions contemplated by, this resolution.

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85 Section 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys  
86 and employees of Sitka in connection with refinancing the 2010 Bonds are hereby ratified and  
confirmed.



CLERK'S CERTIFICATE

I, the undersigned, Municipal Clerk of the City and Borough of Sitka ("Sitka"), and keeper of the records of the Assembly, DO HEREBY CERTIFY:

1. That the attached resolution (the "Resolution") is a true and correct copy of Resolution No. 2020-\_\_\_\_ of the Assembly, as adopted at a meeting of the Assembly held on \_\_\_\_\_, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been fully fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_, 2020.

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Municipal Clerk  
City and Borough of Sitka