

CITY AND BOROUGH OF SITKA, ALASKA

RESOLUTION NO. 2020-16

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 its bonds that provided funds to purchase general obligation bonds issued by Sitka to the Bond Bank under loan agreements between Sitka and the Bond Bank; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into one or more amendatory loan agreements with the Bond Bank setting forth revised debt service schedules for the loans evidenced by Sitka’s bonds, in accordance with the applicable loan agreements, if the Bond Bank successfully refinances its bonds; authorizing the issuance of refunding general obligation 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 to the Alaska Municipal Bond Bank the following general obligation bonds (together, the “Sitka GO Bonds”):

Sitka Series	Issuance Date	Legislation	Callable Maturities	Callable Amount	Call Date	Bond Bank Series
GO 2011	5/10/2011	Ord. 2011-08	2022-2031	\$3,300,000	4/1/2021	2011 Two
GO 2012	5/24/2012	Res. 2012-04	2022-2023	\$1,560,000	3/1/2022	2012 Two

WHEREAS, to make each of the loans evidenced by the Sitka Bonds, the Bond Bank issued and sold a series of its General Obligation Bonds (as identified above, the “Bond Bank Bonds”) to provide funds to purchase the Sitka Bonds on terms and conditions set forth in a loan agreement with Sitka with respect to each of the Sitka Bonds; and

WHEREAS, the loan agreement for each of the Sitka Bonds provides that payments of principal of and interest on those bonds may be adjusted to reduce debt service if the Bond Bank is able to achieve debt service savings by refunding the applicable series of 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 potentially refunding all or a portion of the Bond Bank Bonds to achieve debt service savings; and

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

43 Officer to approve revised debt service schedules for any of the Sitka Bonds for which the Bond
44 Bank successfully refinances the applicable series of Bond Bank Bonds;

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

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49 Section 1. Approval of Refinancing. The Assembly hereby approves Sitka’s
50 participation in the Bond Bank’s refinancing of the Bond Bank Bonds and authorizes the
51 Municipal Administrator and Chief Finance and Administrative Officer to approve revised
52 principal payment amounts and interest rates for any or all of the Sitka Bonds (in accordance with
53 Section 6 of the each applicable loan agreement), so long as the revised debt service schedules are
54 financially advantageous to Sitka. The revised schedule of debt service on any Sitka Bond that is
55 refinanced and other provisions as may be required by the Bond Bank will be set forth in (i) an
56 amendatory loan agreement (an “Amendatory Loan Agreement”) relating to that refinanced Sitka
57 Bond and (ii) if requested by the Bond Bank, a refunding general obligation bond (a “2020 Sitka
58 Bond”) to be issued by Sitka to the Bond Bank in exchange for each refinanced Sitka Bond.

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

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69 Section 2. Tax Covenant. If the 2020 Bond Bank Bonds allocable to refinancing the
70 Sitka Bonds are issued as tax-exempt bonds, Sitka covenants to undertake all actions required to
71 maintain the tax-exempt status of interest on the applicable refinanced Sitka Bond under
72 Section 103 of the Internal Revenue Code of 1986, as amended.

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

81
82 Section 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys
83 and employees of Sitka in connection with refinancing the Sitka 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.

Municipal Clerk
City and Borough of Sitka