

CITY AND BOROUGH OF SITKA, ALASKA

RESOLUTION NO. 2020-14

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 bonds issued in 2013 and 2014, which provided funds to purchase electric revenue 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 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 to the Alaska Municipal Bond Bank the following Junior Lien Electric (collectively, the “Sitka Bonds”):

<u>Sitka Series</u>	<u>Issuance Date</u>	<u>Ordinance</u>	<u>Callable Maturities</u>	<u>Callable Amount</u>	<u>Call Date</u>	<u>Bond Bank Series</u>
2013	3/12/2013	2013-02	2032-2047	\$35,530,000	2/1/2023	2013 One
2013(2d)	11/14/2013	2013-38	2031-2048	\$25,615,000	8/1/2023	2013 Three
2014	10/30/2014	2013-38	2031-2044	\$16,325,000	10/1/2024	2014 Three

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

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

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

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


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

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

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

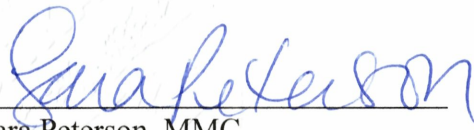
Section 5. Effective Date. This resolution will take effect immediately upon its adoption.

ADOPTED this 12th day of May, 2020.



Gary L. Paxton, Mayor

ATTEST:



Sara Peterson, MMC
Municipal Clerk

First and final reading 5/12/2020

Sponsor: Administrator

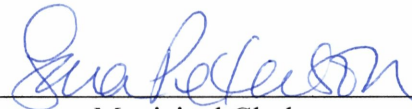
CLERK'S CERTIFICATE

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. 2020-14 of the Assembly, as adopted at a meeting of the Assembly held on May 12, 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 May 12, 2020.



Municipal Clerk
City and Borough of Sitka