

Presented by: The Manager
Introduced: 05/14/18
Drafted by: Bond Counsel

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Resolution No. 2821

A Resolution Providing For Interest Rates For The General Obligation School Refunding Bond Being Issued To Wells Fargo Securities.

WHEREAS, on April 2, 2018, the Assembly of the City and Borough of Juneau, Alaska (the “City and Borough”), passed Ordinance Serial No. 2018-09 authorizing the issuance and sale of its General Obligation School Refunding Bond in the aggregate principal amount of not to exceed \$5,500,000 (the “Authorized Bond”); and

WHEREAS, pursuant to Section 12 of said ordinance the City Manager of the City and Borough or his/her designee shall be authorized to negotiate the sale of the Authorized Bond (hereinafter defined as the Bond) to Wells Fargo Securities (the “Bank”); and

WHEREAS, Section 10.2(b) of the Charter of the City and Borough provides that the Assembly shall by resolution prescribe the rate or rates of interest on the Bond;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA, as follows:

Section 1. Additional Definitions. Capitalized terms in this resolution which are not otherwise defined shall have the meanings given such terms in Ordinance Serial No. 2018-09 of the Assembly (the “Bond Ordinance”). As used in this resolution, the following words shall have the following meanings:

Bank Qualified Adjustment Rate means and interest rate per annum equal to the product of the interest rate on the Bond then in effect multiplied by 1.00.

Bond Ordinance means Ordinance Serial No. 2018-09, passed by the Assembly on April 2, 2018.

Maximum Lawful Rate means the maximum, non usurious, lawful rate of interest that may be contracted for, charged or received in connection with the relevant obligation under applicable law without regard to any filing made by a lender with respect to notice of rates in excess of any statutory or regulatory threshold interest rate.

Taxable Rate means, for any date of determination, the rate of interest per annum equal to the product of the interest rate on the Bond then in effect multiplied by 1.28.

Section 2. Bond Sale. The sale of the Authorized Bond is hereby authorized and approved under the terms of this resolution (the “Bond”). The Bond shall be designated as the General Obligation School Refunding Bond, 2018.

Section 3. Bond Date, Maturity; Payments; Designation. The Bond, in the principal amount of \$5,060,000, shall be dated the date of its delivery, expected to be May 16, 2018, shall mature in the principal amounts set forth on Schedule A attached hereto and by this reference made a part hereof and shall bear interest payable on June 1, 2019 and semiannually thereafter on the first day of each June and December at the rates set forth on Schedule A. Both principal of and interest on the Bond shall be paid as provided in the Bond Ordinance and in the Bond.

Notwithstanding anything in the Bond Ordinance or this resolution to the contrary, if the rate of interest on the Bond exceeds the Maximum Lawful Rate for such Bond, then (i) the Bond shall bear interest at the Maximum Lawful Rate and (ii) interest calculated at the rate equal to the difference between (a) the rate of interest for such Bond as calculated pursuant to the Bond Ordinance and (b) the Maximum Lawful Rate (the “Excess Interest”) shall be deferred until such

date as the Bond bears interest at an interest rate below the Maximum Lawful Rate, at which time Excess Interest shall be payable with respect to the Bond in amounts that, when combined with the then-current interest due on the Bond, do not exceed payment at the Maximum Lawful Rate. Payments of deferred Excess Interest shall no longer be due and payable upon the earlier to occur of the date on which the Bond is paid in full.

Section 4. Delivery of the Bond. The proper officials of the City and Borough are authorized and directed to execute all documents and to do everything necessary for the preparation and delivery of the Bond in definitive form to the Bank.

Section 5. Ratification. All actions taken by the City Manager or his/her designee relative to the sale of the Bond are hereby in all respects ratified and confirmed. The City Manager of the City and Borough or his/her designee is hereby authorized to do all things necessary for the prompt execution, issuance and delivery of the Bond and for the proper application and use of the Bond proceeds.

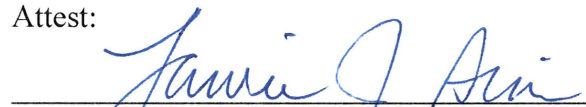
Section 6. Severability. The covenants contained in this resolution shall constitute a contract between the City and Borough and the owner of the Bond. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the City and Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

Section 7. Effective Date. This resolution shall be effective immediately upon adoption.

ADOPTED this 14th day of May, 2018.


Kendell D. Koelsch, Mayor

Attest:


Laurie J. Sica, Municipal Clerk



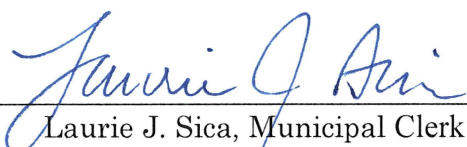
CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau (herein called the “City and Borough”) DO HEREBY CERTIFY:

1. That the attached Resolution No. 2821 (herein called the “Resolution”) is a true and correct copy of a resolution of the City and Borough as adopted at a meeting of the Assembly of the City and Borough (the “Assembly”) held on May 14, 2018 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; that a legal 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 duly 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 14th day of May, 2018.



Laurie J. Sica, Municipal Clerk
City and Borough of Juneau

Schedule A

**City and Borough of Juneau, Alaska
General Obligation School Refunding Bond, 2018**

Maturity Schedule

Maturity Years (June 1)	Principal Amounts	Interest Rates
2019	\$ 952,500	2.850%
2020	987,000	2.850
2021	1,013,500	2.850
2022	1,039,500	2.850
2023	<u>1,067,500</u>	2.850
Total:	\$ 5,060,000	