Presented by: The Manager
Introduced: 12/11/89
Drafted by: Bond Counsel

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1412

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA, ACCEPTING THE BID OF SHEARSON LEHMAN HUTTON INC. FOR AND FIXING THE INTEREST RATE ON AND OTHER TERMS OF THE $8,500,000 OF GENERAL OBLIGATION BONDS, 1989, SERIES A, OF THE CITY AND BOROUGH.

WHEREAS, the issuance of the City and Borough of Juneau, Alaska, General Obligation Bonds, 1989, Series A, in the aggregate principal amount of $8,500,000 (the "Bonds") was duly authorized by Ordinance Serial Nos. 89-41, 89-42, and 89-48, and the election of October 3, 1989, and

WHEREAS, a call for bids for the sale of the Bonds was duly made pursuant to Ordinance Serial No. 89-48 and the Notice of Bond Sale, and

WHEREAS, at the time and places specified in the Notice of Bond Sale, bids have been opened and reviewed at the direction of the manager of the city and borough and with the assistance of the city and borough's financial advisor, and

WHEREAS, it was found that the bid of Shearson Lehman Hutton (the "Purchaser"), attached hereto as Exhibit "A" and incorporated by this reference herein, was the best bid received by the city and borough for the sale of the Bonds;

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

Section 1. Bid Accepted. The bid of the Purchaser for the sale of the Bonds for the price of $8,500,000 plus accrued interest from December 1, 1989, to the date of the delivery of the Bonds to the Purchaser, at a net interest cost of $3,336,357.50 and a true interest cost of 6.5279948 percent, being the best bid therefor, is hereby accepted.

Section 2. Bond Terms. In addition to all terms and conditions of the Bonds specified in Ordinance Serial Nos. 89-41, 89-42, and 89-48, and in the official bid form, the Bonds are subject to the following terms:

A. The Bonds shall bear interest at the rates shown in the Purchaser's bid, attached hereto as Exhibit "A."

B. The Bonds shall be insured by AMBAC Indemnity Corporation, and the Purchaser shall pay the premium therefor.

Section 3. Official Statement. Upon the sale of the Bonds, the city and borough will complete, adopt, and deliver an Official Statement substantially in the form of the Preliminary Official Statement on file at the offices of the city and borough.

Section 4. Good Faith Checks. The finance director of the city and borough is hereby directed to return the good faith checks promptly to the unsuccessful bidders.

Section 5. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 11th day of December, 1989.

Mayor

Attest:

Clerk