

Introduced by:	Mayor
Date:	07/07/20
Hearing:	08/04/20
Action:	Enacted
Vote:	9 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-01**

**AN ORDINANCE APPROPRIATING REFINANCED 2010 GENERAL OBLIGATION
SCHOOL BOND PROCEEDS FOR THE PURPOSE OF PAYING BOND
REFINANCING ISSUANCE COSTS**

WHEREAS, the Kenai Peninsula Borough, Alaska (the “Borough”), to finance a portion of the cost of certain school capital improvements, issued and sold its General Obligation School Bond, Series 2010B (Taxable Recovery Zone Economic Development Direct Payment), in the original principal amount of \$16,410,000 (the “2010B Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by Resolution Nos. 2010-086 and 2010-088 of the Borough adopted October 26, 2010 (together, the “Bond Resolution”), on the terms and conditions set forth in the Bond Resolution and in a loan agreement between the Borough and the Bond Bank dated as of December 1, 2010 (the “Loan Agreement”); and

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

WHEREAS, Section 6 of the Loan Agreement provides that payments of principal of and interest on the 2010B Bond may be adjusted to reduce debt service on the 2010B Bond if the Bond Bank is able to achieve debt service savings by refunding the Bond Bank Bonds; and

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

WHEREAS, through Resolution 2020-033, the assembly approved the Borough’s participation in this refinancing and to authorize the mayor or his designee to accept a revised debt service schedule for the 2010 Bond if the Bond Bank successfully refinances the Bond Bank Bonds; and

WHEREAS, the Bond Bank anticipates a refinancing closing date of early July 2020;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

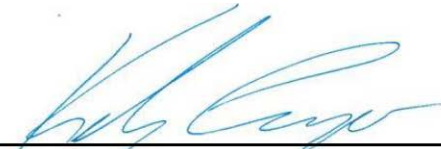
SECTION 1. That 2010 refinanced school bond proceeds in the amount of up to \$15,000 are appropriated to the School Bond Capital Project Fund, account number 401.78050.21SCH.49999 to pay costs related to the issuance.

SECTION 2. That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

SECTION 3. That eligible costs incurred prior to the appropriation date will be charged to the project.

SECTION 4. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH DAY OF AUGUST, 2020.

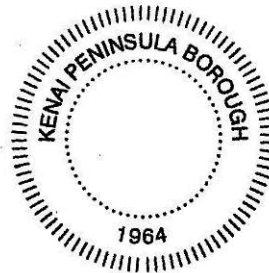


Kelly Cooper, Assembly President

ATTEST:



Johni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: Blakeley