CITY OF CORDOVA, ALASKA
RESOLUTION 12-10-72

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, AUTHORIZING THE CITY TO ISSUE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $500,000 TO FINANCE THE PLANNING, DESIGN, AND CONSTRUCTION OF A BUILDING TO BE USED AS CORDOVA SCHOOLS CORRESPONDENCE PROGRAM, AND TO SUBMIT THE QUESTION OF THE ISSUANCE OF SUCH BONDS TO THE QUALIFIED VOTERS OF THE CITY AT THE MARCH 1, 2011 REGULAR CITY ELECTION; AND DECLARING THE INTENT OF THE CITY OF CORDOVA TO REIMBURSE ORIGINAL EXPENDITURES FOR COSTS OF THE PLANNING, DESIGN, AND CONSTRUCTION OF CORDOVA SCHOOLS CORRESPONDENCE PROGRAM BUILDING.

WHEREAS, the City of Cordova, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City; and

WHEREAS, Section 6-1 of the Cordova City Charter authorizes the City to issue general obligation bonds or other such evidences of indebtedness, but only when authorized by the council for capital improvements and ratified by a majority of the qualified voters of the City; and

WHEREAS, the City views the capital project authorized herein as necessary and beneficial to the community; and

WHEREAS, §1.150-2 of the Income Tax Regulations requires that the City timely declare its intent to reimburse original expenditures for costs of capital improvements with proceeds of tax exempt bonds, Build America Bonds, or Recovery Zone Economic Development Bonds, so that the reimbursement will qualify as an expenditure of proceeds of the bonds.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, HEREBY RESOLVES that:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur general obligation bonded indebtedness in an amount not to exceed Five Hundred Thousand Dollars ($500,000) for the purpose of paying the cost of planning, design, and construction of a Cordova Schools Correspondence Program building.

Section 2. The City is authorized to borrow the sum of Five Hundred Thousand Dollars ($500,000) to finance the capital project described in Section 1, and the borrowing shall be evidenced by the issuance of general obligation bonds of the City. The full faith and credit of the City are pledged for payment of the principal of and interest on the bonds, and ad valorem taxes upon all taxable property in the City shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the March 1, 2011 regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

Proposition No. 1
General Obligation Bonds for
School and Related Capital Improvements

Shall the City of Cordova incur debt and issue general obligation bonds in the principal amount of not to exceed Five Hundred Thousand Dollars ($500,000) for the purpose of paying the cost of planning, design, and construction of a Cordova Schools Correspondence Program building?

The bonds shall be secured by a pledge of the full faith and credit of the City. (Resolution 12-10-72)

Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other general obligation bond propositions, and the following words shall be added as appropriate next to a square provided for marking the ballot for voting by hand or machine:

PROPOSITION NO. 1: ☐ Yes

☐ No

Section 5. The City of Cordova hereby declares its intent to reimburse original expenditures for costs of the capital improvements described in Section 1 from proceeds of tax exempt bonds, Build America Bonds, or Recovery Zone Economic Development Bonds, in the maximum aggregate principal amount of $500,000.

Section 6. Sections 1 and 2 of this resolution shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the March 1, 2011 regular City election. The remaining sections of this resolution shall become effective upon passage and approval.

PASSED AND APPROVED THIS 15th DAY OF DECEMBER 2010.

CITY OF CORDOVA CORPORATE SEAL JULY 8, 1909 ALASKA

David Reggiani, Vice-Mayor

ATTEST:

Susan Bourgeois, City Clerk