CITY OF CORDOVA, ALASKA
RESOLUTION 05-11-20

A RESOLUTION OF THE CITY COUNCIL OF CORDOVA, ALASKA AUTHORIZING THE CITY TO LOAN THE CORDOVA SCHOOL DISTRICT UP TO $500,000 TO PAY CONSTRUCTION COSTS FOR THE CORDOVA JR/SR HIGH SCHOOL ILP BUILDING UNTIL SUCH TIME THAT A BOND SALE OCCURS AND THE AMOUNT LOANED SHALL BE REPAID FROM THE BOND PROCEEDS.

WHEREAS, pursuant to Resolution 12-10-72, adopted December 15, 2010, a question whether the City should 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, also known as the Cordova Jr/Sr High School ILP Building, referred to at the regular city election held on March 1, 2011 as Proposition No. 1 ('Proposition 1'), was passed and approved; and

WHEREAS, said election has been duly canvassed and the results thereof certified and confirmed in accordance with law, and $500,000 principal amount of general obligation bonds remains unissued under Proposition 1; and

WHEREAS, a bond sale will not take place until mid-summer 2011 and the Cordova Jr/Sr High School ILP Building is set to begin construction by June 1, 2011; and

WHEREAS, the City considers the school and related capital improvements authorized in Proposition 1 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 the Cordova Jr/Sr High School ILP Building with proceeds of tax exempt bonds, so that the reimbursement will qualify as an expenditure of proceeds of the bonds.

NOW, THEREFORE BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby authorizes a loan from the City of Cordova to the Cordova School District in an amount not to exceed $500,000 to pay construction costs for the Cordova Jr/Sr High School ILP Building, and hereby declares its intent to reimburse original expenditures for costs of the Cordova Jr/Sr High School ILP Building from proceeds of tax exempt bonds in the maximum principal amount of $500,000.

PASSED AND APPROVED THIS 4th DAY OF MAY, 2011.

CITY OF CORDOVA CORPORATE SEAL JULY 8, 1909

James Kallander, Mayor

Attest:

Susan Bourgeois, City Clerk