

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

REFUNDING BONDS

Serial No. 2024-42

AN ORDINANCE APPROVING THE CITY AND BOROUGH'S PARTICIPATION IN PROPOSED REFINANCINGS BY THE ALASKA MUNICIPAL BOND BANK OF THE BOND BANK'S VARIOUS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE VARIOUS REVENUE BONDS OF THE CITY AND BOROUGH, UNDER LOAN AGREEMENTS BETWEEN THE CITY AND BOROUGH AND THE BOND BANK; AND AUTHORIZING REVISED SCHEDULES OF PRINCIPAL AND INTEREST PAYMENTS ON THE CITY AND BOROUGH'S BONDS, IN ACCORDANCE WITH THE LOAN AGREEMENTS, IF THE BOND BANK SUCCESSFULLY REFINANCES ITS BONDS.

Approved: December 16, 2024

Prepared by:

K&L GATES LLP
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City and Borough of Juneau, Alaska
Ordinance Serial No. 2024-42
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Presented by: The Manager
Introduced: 11/18/24
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2024-42

An Ordinance approving the City and Borough’s participation in proposed refinancings by the Alaska Municipal Bond Bank of the Bond Bank’s various General Obligation Bonds that provided funds to purchase various revenue bonds of the City and Borough, under loan agreements between the City and Borough and the Bond Bank; and authorizing revised schedules of principal and interest payments on the City and Borough’s bonds, in accordance with the loan agreements, if the Bond Bank successfully refinances its bonds.

WHEREAS, the City and Borough of Juneau, Alaska (the “City and Borough”), in order to finance a portion of the cost of completion of the City and Borough’s seawalk, issued and sold its Port Revenue Bond, 2014A (Non-AMT), in the original principal amount of \$6,055,000 (the “2014A Port Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”) as authorized by Ordinance Serial No. 2014-01 of the City and Borough adopted January 6, 2014, and Resolution No. 2676 adopted on January 27, 2014 (together, the “2014A Port Bond Ordinance”), on the terms and conditions set forth in the 2014A Port Bond Ordinance and in a loan agreement between the City and Borough and the Bond Bank dated as of February 1, 2014 (the “2014A Port Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2014A Series One (Tax-Exempt) (the “2014A Series One Bond Bank Bonds”) to provide funds to purchase the 2014A Port Bond, as provided in the 2014A Port Loan Agreement; and

WHEREAS, Section 6 of the 2014A Port Loan Agreement provides that payments of principal of and interest on the 2014A Port Bond may be adjusted to reduce debt service on the 2014A Port Bond if the Bond Bank is able to achieve debt service savings by refunding the 2014A Series One Bond Bank Bonds; and

WHEREAS, the City and Borough, in order to finance a portion of the cost of certain harbor improvements, issued and sold its Harbor Revenue Bond, 2007, in the original principal amount of \$10,620,000 (the “2007 Harbor Bond”) to the Bond Bank, as authorized by Ordinance Serial No. 2007-32(b) of the City and Borough adopted May 14, 2007, and Resolution No. 2414 adopted on June 25, 2007 (together, the “2007 Harbor Bond Ordinance”), on the terms and conditions set forth in the 2007 Harbor Bond Ordinance and in a loan agreement between the City and Borough and the Bond Bank dated as of July 1, 2007 (the “2007 Harbor Loan Agreement”); and

WHEREAS, the City and Borough, in order to refinance the 2007 Harbor Bond, issued and sold its Harbor Revenue Refunding Bond, 2015, in the original principal amount of \$8,910,000

(the “2015 Harbor Bond”) to the Bond Bank, as authorized by Ordinance Serial No. 2015-15 of the City and Borough adopted on March 16, 2015, and Resolution No. 2720 adopted on April 27, 2015 (together, the 2015 Harbor Bond Ordinance”), on the terms and conditions set forth in the 2015 Harbor Bond Ordinance and in an amendatory loan agreement between the City and Borough and the Bond Bank dated as of June 1, 2015 (the “2015 Harbor Amendatory Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2015A Series Two (Non-AMT) (the “2015A Series Two Bond Bank Bonds”) to provide funds to purchase the 2015 Harbor Bond, as provided in the 2015 Harbor Amendatory Loan Agreement; and

WHEREAS, Section 6 of the 2007 Harbor Loan Agreement provides that payments of principal of and interest on the 2015 Harbor Bond may be adjusted to reduce debt service on the 2015 Harbor Bond if the Bond Bank is able to achieve debt service savings by refunding the 2015A Series Two Bond Bank Bonds; and

WHEREAS, the City and Borough, in order to finance a portion of the cost of completion of the City and Borough’s cruise ship berth enhancement project and related uplands, issued and sold its Port Revenue Bond, 2015 (AMT), in the original principal amount of \$20,595,000 (the “2015 Port Bond”) to the Bond Bank as authorized by Ordinance Serial No. 2014-01 of the City and Borough adopted January 6, 2014, as amended by Ordinance Serial No. 2015-11 adopted on March 16, 2015 and Resolution No. 2709 adopted on April 27, 2015 (together, the “2015 Port Bond Ordinance”), on the terms and conditions set forth in the 2015 Port Bond Ordinance and in a loan agreement between the City and Borough and the Bond Bank dated as of June 1, 2015 (the “2015 Port Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2015B Series Two (AMT) (the “2015B Series Two Bond Bank Bonds,” and together with the 2014A Series One Bond Bank Bonds, and the 2015A Series Two Bond Bank Bonds, the “Bond Bank Bonds”) to provide funds to purchase the 2015 Port Bond, as provided in the 2015 Port Loan Agreement; and

WHEREAS, Section 6 of the 2015 Port Loan Agreement provides that payments of principal of and interest on the 2015 Port Bond may be adjusted to reduce debt service on the 2015 Port Bond if the Bond Bank is able to achieve debt service savings by refunding the 2015B Series Two Bond Bank Bonds; and

WHEREAS, a portion of the 2015 Port Bond was refinanced by the City and Borough’s Port Revenue Refunding Bond, 2021 (AMT Forward Delivery) (the “2021 Port Bond”) issued pursuant to Ordinance Serial No. 2020-21 of the City and Borough adopted on May 18, 2020, as amended by Ordinance Serial No. 2021-15 adopted on April 26, 2021, and Resolution No. 2952 adopted on May 24, 2021 (together, the “2021 Port Bond Ordinance”), on the terms and conditions set forth in the 2021 Port Bond Ordinance and in an amendatory loan agreement between the City and Borough and the Bond Bank dated as of December 2, 2021 (the “2021 Port Amendatory Loan Agreement”); and

WHEREAS, the 2014A Port Bond, the 2015 Harbor Bond and the 2021 Port Bond are herein referred to as the “Juneau Refunding Candidates”; and

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

WHEREAS, the Assembly wishes to approve the City and Borough’s participation in these refinancings and to authorize the City and Borough’s city manager or his/her designee to accept revised debt service schedules for all or a portion of the 2014A Port Bond, the 2015 Harbor Bond and the 2021 Port Bond, if the Bond Bank successfully refinances all or a portion of one or more series of the Bond Bank Bonds;

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

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Approval of Refinancing. The Assembly hereby approves the City and Borough’s participation in the Bond Bank’s refinancing(s) of all or a portion of one or more series of the Bond Bank Bonds. If there is debt service savings for any of the Juneau Refunding Candidates, the respective series shall have modified debt service schedules in accordance with the following parameters.

(a) *2014A Port Bond.* The revised schedule of debt service on the 2014A Port Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement and a refunding bond to be issued in exchange for the 2014A Port Bond. The refunding bond shall come due on the dates set forth in such amendatory loan agreement of the following years in the following estimated principal installments:

Maturity Year	Amount
2025	\$ 195,000
2026	190,000
2027	200,000
2028	215,000
2029	225,000
2030	235,000
2031	245,000
2032	260,000
2033	270,000
2034	285,000
2035	300,000
2036	315,000
2037	330,000
2038	345,000
2039	365,000

The foregoing schedule is based on the assumption that the entire 2014A Port Bond is going to be refunded. To the extent that only a portion of the 2014A Port Bond is refunded, the foregoing principal maturity schedule shall be proportionately reduced. In addition, the adjusted principal maturities may be increased or decreased by the City Manager or his/her designee for any year by 25%.

(b) *2015 Harbor Bond.* The revised schedule of debt service on the 2015 Harbor Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement and a refunding bond to be issued in exchange for the 2015 Harbor Bond. The refunding bond shall come due on the dates set forth in such amendatory loan agreement of the following years in the following estimated principal installments:

Maturity Year	Amount
2026	\$ 475,000
2027	495,000
2028	520,000
2029	545,000
2030	575,000
2031	605,000
2032	625,000
2033	660,000

The foregoing schedule is based on the assumption that the entire 2015 Harbor Bond is going to be refunded. To the extent that only a portion of the 2015 Harbor Bond is refunded, the foregoing principal maturity schedule shall be proportionately reduced. In addition, the adjusted principal maturities may be increased or decreased by the City Manager or his/her designee for any year by 25%.

(c) *2021 Port Bond.* The revised schedule of debt service on the 2021 Port Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement and a refunding bond to be issued in exchange for the 2021 Port Bond. The refunding bond shall come due on the dates set forth in such amendatory loan agreement of the following years in the following estimated principal installments:

Maturity Year	Amount
2026	\$1,065,000
2027	1,120,000
2028	1,175,000
2029	1,240,000

The foregoing schedule is based on the assumption that the 2026 through 2029 maturities of the 2021 Port Bond are going to be refunded. To the extent that only a portion of those maturities of the 2021 Port Bond are refunded, the foregoing principal maturity schedule shall be proportionately reduced. In addition, the adjusted principal maturities may be increased or decreased by the City Manager or his/her designee for any year by 25%.

The City Manager or Finance Director is authorized to execute and deliver the amendatory loan agreements for each bond issue on behalf of the City and Borough and to deliver the refunding bonds for each bond issue, executed in accordance with the provisions of the respective bond ordinance and this ordinance, to the Bond Bank in exchange for the 2014A Port Bond, the 2015 Harbor Bond and the 2021 Port Bond, respectively, all subject to the Assembly’s approval by one or more resolutions, which resolution(s) may, at the option of the Assembly, provide for delegation within parameters approved by the Assembly. The City Manager, Finance Director and other appropriate officers and employees of the City and Borough are also hereby authorized to provide financial information about the City and Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds. In furtherance of the plan of refinancing, the City Manager or his/her designee is hereby further authorized to determine whether or not the establishment of a reserve fund or account is necessary or desirable to secure the repayment of any of the refunding bonds and if a reserve is to be established, the terms and conditions of the reserve, including the execution and delivery of a reserve depository agreement.

Section 3. Tax Covenants. The City and Borough covenants to undertake all actions required to maintain the tax-exempt status of interest on the 2014A Port Bond, the 2015 Harbor Bond and the 2021 Port Bond, as applicable, under Section 103 of the Code.

Section 4. General Authorization. The Mayor, City Manager, Finance Director, Clerk, City and Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the City and Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and

complete the transactions contemplated by, this ordinance, including any amendments to the 2021 Amending Loan Agreement to clarify prepayment terms.

Section 5. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the City and Borough in connection with refinancing the 2014A Port Bond, the 2015 Harbor Bond and the 2021 Port Bond are hereby ratified and confirmed.

Section 6. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 16th day of December, 2024.

Mayor

ATTEST:

Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the “City and Borough”), Do HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2024-42 (the “Ordinance”) of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the “Assembly”) held on the 16th day of December, 2024, 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, due and proper notice of such special meeting was given; 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 passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance 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 16th day of December, 2024.

Clerk
City and Borough of Juneau