

ORDINANCE OF THE CITY OF HOMER, ALASKA

Ordinance No. 89-29(S)

AN ORDINANCE OF THE CITY OF HOMER, ALASKA, PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF \$4,355,000 AS AUTHORIZED BY ORDINANCE 89-17 AND APPROVED BY THE QUALIFIED VOTERS ON OCTOBER 3, 1989, TO PAY PART OF THE COSTS OF PLANNING, ACQUIRING, CONSTRUCTING AND RECONSTRUCTING OF ROADS AND RELATED IMPROVEMENTS WITHIN THE CITY OF HOMER; PROVIDING FOR THE DATE, FORM, TERMS, MATURITIES AND COVENANTS THEREOF; PLEDGING THE FULL FAITH AND CREDIT OF THE CITY TO PAY THE PRINCIPAL THEREOF AND INTEREST THEREON; PROVIDING FOR THE SALE OF SUCH BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on July 24, 1989, the Council of the City of Homer, Alaska (the "City"), adopted Ordinance No. 89-17 which provided for the submission to the qualified electors of the City on October 3, 1989, the proposition whether or not the City should incur indebtedness and issue general obligation bonds in an amount not to exceed \$4,355,000 (the "Bonds") to pay part of the costs of planning, acquiring, constructing and reconstructing roads and related improvements within the City; and

WHEREAS, on October 3, 1989, the qualified voters of the City approved said proposition by a majority vote of those voting thereon; and

WHEREAS, it is found necessary and in the best interest of the City and its residents that the City now issue Bonds in the principal amount of not to exceed \$4,355,000 for the purposes specified in Ordinance no. 89-17 and provide for the establishment of the date, form, terms, redemption and prepayment rights, maturities and covenants of the Bonds; and

WHEREAS, it is hereby further found to be in the best interest of the City that the City negotiate for the sale of the Bonds with the Alaska Municipal Bond Bank Authority;

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF HOMER, ALASKA:

Section 1. Definitions. As used in this ordinance unless a different meaning clearly appears from the context:

"Authority" means the Alaska Municipal Bond Bank Authority.

"Bonds" means the Series A Bonds and the Series B Bonds to be issued in the combined aggregate principal amount of \$4,355,000 pursuant to this ordinance.

"Bond Fund" means the heretofore created "City of Homer, Debt Service Fund."

"City" means the City of Homer, Alaska, a municipal corporation duly organized and existing under the laws of the State of Alaska.

"Government Obligations" means obligations of, or insured or guaranteed by, the United States of America or its agencies or instrumentalities.

"Project" means the project for the planning, acquiring, construction and reconstructing of roads and related improvements within the City authorized by Ordinance No. 89-17 of the City Council.

"Road Construction Fund" means the "City of Homer Road Construction Fund" created in section 10 of this ordinance and into which the Bond proceeds will be deposited pursuant to said section.

"Series A Bonds" means the City of Homer, Alaska, General Obligation Bonds, 1989, Series A in the aggregate principal amount of \$1,205,000 issued pursuant to this ordinance.

"Series B Bonds" means the City of Homer, Alaska, General Obligation Bonds, 1989, Series B in the aggregate principal amount of \$3,150,000 issues pursuant to this ordinance.

Section 2. Authorization of Bond and Purposes. For the purpose of financing part of the cost of the Project there is hereby authorized to be issued general obligation bonds of the City in the aggregate principal amount of \$4,355,000, as authorized by Ordinance 89-17 of the City Council and approved by the qualified voters of the City at an election held within the City on October 3, 1989. The Bonds shall be issued in two series designated as Series A Bonds and Series B. Bonds. The Series A Bonds shall be known as the "City of Homer, Alaska, General Obligation Bonds, 1989, Series A" and shall be issued in the aggregate principal amount of \$1,205,000. The Series B Bonds shall be known as the "City of Homer, Alaska, General Obligation Bonds, 1989, Series B" and shall be issued in the aggregate principal amount of \$3,150,000. The Bonds shall be dated, shall bear interest on

unpaid principal at the rate or rates, and shall mature in the years and in principal amounts as shall hereafter be fixed by resolution of the City after final passage of this ordinance.

Section 3. Registration. The City hereby designates the City Finance Director as authenticating, transfer and paying agent and registrar for the Bonds (collectively the "Bond Registrar"). Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or warrant of the Bond Registrar mailed on the date such interest is due to the registered owners or nominees at the addresses appearing on the records of the Bond Registrar on the 15th day of the month preceding each interest payment date; provided, so long as the Bonds are owned by the Authority, payment shall be made at the time and in the manner specified in the loan agreement. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds to the Bond Registrar at the office of the Finance Director in Homer, Alaska, except that for so long as the Authority is the registered owner of the Bonds, all but the final installment of principal of the Bonds shall be paid by the Bond Registrar in the manner provided for the payment of interest, and the Bond Registrar shall note each such reduction of principal on the records of the Bond Registrar.

Section 4. Right of Prepayment or Redemption. The Bonds shall be subject to mandatory or optional redemption, at such time or times and upon such terms as shall hereafter be fixed by resolution of the City after final passage of this ordinance.

Section 5. Form of Bonds. The Bonds shall initially be issued in substantially the following form:

UNITED STATES OF AMERICA

No. R-1

\$ \_\_\_\_\_

STATE OF ALASKA

CITY OF HOMER

GENERAL OBLIGATION BONDS, 1989, SERIES \_\_\_\_

THE CITY OF HOMER, ALASKA, a municipal corporation of the State of Alaska (the "City") hereby acknowledges itself to owe and for value received promises to pay to the registered owner hereof, the principal sum of \_\_\_\_\_ DOLLARS

(\$ \_\_\_\_\_) in the following installments on \_\_\_\_\_ of each of the following years, together with interest on the unpaid balance at the following rates, payable \_\_\_\_\_, and semiannually thereafter on the first days of each \_\_\_\_\_ and \_\_\_\_\_ of each year until such installments have been paid, or such payment has been duly provided for as follows:

<u>Maturity Years</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
	\$	%

Both principal of and interest on this bond are payable in lawful money of the United States of America to the registered owner hereof at the address appearing in the registration certificate. Upon final payment of all principal installments and interest thereon, this bond shall be submitted to the City for cancellation and surrender.

The City has reserved the right (subject to any applicable provisions of a loan agreement between the City and the Alaska Municipal Bond Bank Authority, dated \_\_\_\_\_), to prepay any or all unpaid principal installments that mature on or after \_\_\_\_\_ on or after \_\_\_\_\_ in whole on any day or in part on any interest payment date, at \_\_\_\_\_ plus accrued interest to the date of prepayment.

Notice of any such intended prepayment shall be given by mailing notice thereof to the registered owner, not more than 60 nor fewer than 30 days prior to said prepayment; provided, if the Alaska Municipal Bond Bank Authority owns the bond, notice of redemption shall be given at the time and in the manner specified in the loan agreement between the Authority and the City.

This bond is issued pursuant to the Constitution and laws of the State of Alaska, a vote of the qualified electors of the City, and duly adopted ordinances and resolutions thereof, for the purpose of providing funds to pay the cost of planning, designing, constructing and reconstructing roads and related improvements within the City.

The City has obligated and bound itself to make annual levies of ad valorem taxes upon all the taxable property within the City without limitation as to rate or amount and in amounts sufficient, with such other moneys of the City available for such purposes as the Council may, from time to time, appropriate and set aside, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and

resources of the City are hereby irrevocably pledged for the levy of such taxes and for the prompt payment of such principal and interest as the same shall become due.

As provided in Ordinance No. 89-29(S) (the "Bond Ordinance"), this bond is exchangeable, at the request and sole expense of the registered owner and upon 90 days' written notice thereof, for bonds with serial maturities in a total principal amount equal to the unpaid principal amount of this bond, in the denomination of \$5,000 each, or integral multiples thereof, provided that no bond may represent more than one maturity, maturing and bearing interest at the same time and the same rate as the respective unpaid installments of principal of this bond, and with rights of redemption and in the form provided in the Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security under Ordinance 89-17 or the Bond Ordinance until the Certificate of Authentication hereon has been manually signed by the Bond Registrar.

It is hereby certified and declared that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed and that the total indebtedness of the City, including this bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Homer, Alaska, has caused this bond to be signed by the facsimile or manual signature of its Mayor, to be attested by the facsimile or manual signature of its Clerk, and the official seal of the City to be impressed or imprinted hereon, this \_\_\_\_\_ day of \_\_\_\_\_, 1989.

CITY OF HOMER, ALASKA

By /s/ facsimile or manual signature  
Mayor

ATTEST:

/s/ facsimile or manual signature  
Clerk

CERTIFICATE OF AUTHENTICATION

Date for Authentication: \_\_\_\_\_

This bond is the bond described in the within-referenced Bond Ordinance of the City of Homer, Alaska, and is the City of Homer, Alaska, General Obligation Bonds, 1989, Series \_\_, dated \_\_\_\_\_, 1989, of such City.

FINANCE DIRECTOR OF THE CITY OF HOMER AS BOND REGISTRAR

By: \_\_\_\_\_

BOND REGISTRAR'S CERTIFICATE OF REGISTRATION

This bond is registered in the name of the owner on the books of the City, in the office of the City Finance Director as Bond Registrar, as to both principal and interest as noted in the registration blank below. No transfer hereof shall be valid unless made by the registered owner or said owner's duly authorized agent in writing, and similarly noted hereon. All payments of interest on this bond shall be made by the City with full acquittance by the City's check, or by warrant of the City, made payable to the last registered owner as shown hereon and on the registration books of the Bond Registrar on the fifteen day of the month preceding the interest payment date and delivered to such owner or mailed to such owner at such owner's address noted hereon and on the registration books of the Bond Registrar.

<u>Date of Registration</u>	<u>Name and Address of Registered Owner</u>	<u>Signature of Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

/ \_\_\_\_\_ /

(Please print or typewrite name and address, including zip code of Transferee)

\_\_\_\_\_

the within bond and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_, or its successor, as Agent to transfer said bond on the books kept by the Bond Registrar for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_.

SIGNATURE GUARANTEED:

\_\_\_\_\_

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Section 6. Alternate Form of Bonds. At the request and sole expense of the Registered Owner, Bonds may be issued in serial form, with maturities in the aggregate equal to each remaining outstanding annual principal installment payment. Bonds in this alternative form may be issued in the denomination of \$5,000 or any integral multiple thereof, provided that no Bond may be issued for more than one maturity. Bonds issued in serial form pursuant to this section 6 shall be in substantially the following form:

UNITED STATES OF AMERICA

No. \_\_\_\_\_ \$ \_\_\_\_\_

STATE OF ALASKA

CITY OF HOMER

GENERAL OBLIGATION BONDS, 1989, SERIES \_\_\_\_\_

INTEREST RATE: \_\_\_\_\_ MATURITY DATE: \_\_\_\_\_

SEE REVERSE SIDE FOR ADDITIONAL PROVISIONS

REGISTERED OWNER:

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The City of Homer, Alaska, a municipal corporation organized and existing under and by virtue of the laws

and Constitution of the State of Alaska (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount specified above, unless redeemed prior thereto as provided herein, together with interest on such Principal Amount from the date hereof or the most recent date to which interest has been paid or duly provided for at the Interest Rate set forth above payable \_\_\_\_\_, and semiannually thereafter on each \_\_\_\_\_ and \_\_\_\_\_ until payment of the principal sum has been made or duly provided for. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest on this bond is payable by check or draft of the Bond Registrar mailed to the Registered Owner hereof at the address appearing on the records maintained by the Bond Registrar as of the fifteenth (15th) day of the month preceding the interest payment date. Principal shall be paid to the registered owner hereof upon presentation and surrender of this Bond at the office of the Finance Director in Homer, Alaska.

Reference is hereby made to additional provisions of this bond set forth on the reverse side hereof and such additional provisions shall for all purposes have the same effect as if set forth in this space. Reference also is made to the Bond Ordinance (as hereinafter defined) as more fully describing the covenants with and the rights of registered owners of the bond or registered assigns and the meanings of capitalized terms appearing on this bond which are defined in the Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under Ordinance No. 89-17 or the Bond Ordinance (as hereinafter defined) until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, without limitation as to rate or amount, amounts sufficient, together with all other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

It is hereby certified and declared that this bond is issued pursuant to and in strict compliance with the

Constitution and laws of the State of Alaska and ordinances and resolutions of the City, that all acts, conditions and things required to be done precedent to and in the issuance of this bond and the bonds of this issue have happened, been done and performed and that this bond and the bonds of this issue do not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the City of Homer, Alaska, has caused this bond to be signed on behalf of the City with the facsimile or manual signature of the Mayor, to be attested by the facsimile or manual signature of the Clerk of the City, and the official seal of the City to be impressed or imprinted hereon, as of this \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

CITY OF HOMER, ALASKA

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: \_\_\_\_\_

This bond is one of the bonds described in the within-referenced Bond Ordinance of the City of Homer, Alaska, and is one of the General Obligation Bonds, 1989, Series \_\_, dated \_\_\_\_\_, 19\_\_, of the City.

BOND REGISTRAR

\_\_\_\_\_  
City Finance Director

[Form of Reverse Side of Bond]

ADDITIONAL BOND PROVISIONS

This bond is one of an issue of general obligation bonds of the City of like date and tenor, except as to

number, interest rate and date of maturity, in the aggregate principal amount of \$\_\_\_\_\_ issued pursuant to Ordinance No. 89-29(S) of the City, passed on December \_\_\_, 1989 (the "Bond Ordinance"), to provide funds to pay part of the cost of planning, acquiring, constructing and reconstructing roads and related improvements within the City.

The bonds of this issue maturing on and after \_\_\_\_\_, are subject to redemption at the option of the City on and after \_\_\_\_\_, in whole on any day or in part on any interest payment date, at a price of par plus accrued interest to the date of redemption.

Notice of any such intended redemption as provided above shall be given not fewer than 30 nor more than 60 days prior to said redemption date by registered or certified mail, postage prepaid, to the registered owner of any bond to be redeemed at the address appearing on the records maintained by the Bond Registrar. The requirements of the Bond Ordinance shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether or not it is actually received by the owner of any bond. Interest on any bond so called for redemption shall cease on such redemption date unless the same is not paid in full upon presentation made pursuant to such call.

The bonds of this issue are issued in fully registered form in the denomination of \$5,000 each or in integral multiples thereof. Upon surrender to the Bond Registrar, bonds are interchangeable for bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and maturity; provided, that no bond may represent more than one maturity. This bond is transferable only on the records maintained by the Bond Registrar for that purpose upon the surrender of this bond by the registered owner hereof or such owner's duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer shall be without cost to the registered owner or transferee. The City may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on this bond and for any and all other purposes whatsoever.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

/ \_\_\_\_\_ /

(Please print or typewrite name and address, including zip code of Transferee)

\_\_\_\_\_ the within bond and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_ of its successor, as Agent to transfer said bond on the books kept by the Bond Registrar for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_.

SIGNATURE GUARANTEED:

\_\_\_\_\_

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Prior to issuing Bonds in the form authorized in this section 6, the City may appoint an alternate Bond Registrar to perform the duties prescribed by this ordinance including the payment of principal and interest on Bonds as they come due.

Section 7. Execution of Bonds. The Bonds shall be signed on behalf of the City with the facsimile or manual signature of the Mayor, shall be attested by the facsimile or manual signature of the City Clerk, and shall have the official seal of the City impressed or imprinted thereon.

In case either of the officers of the City who shall have executed the Bonds shall cease to be such officer or officers of the City before the Bonds so signed shall have been authenticated or delivered or issued by the Bond Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance shall

be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be proper officers of the City although at the original date of such Bond any such person shall not have been such officer. If any person authorized to sign a bond is not available, the appropriate acting or deputy officer or officer pro tem may sign the bond. The accounting manager may sign bonds in the event there is no finance director or acting finance director to sign bonds.

Section 8. Duties of Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver any Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance.

Section 9. Facilities Construction Fund. There is created a special fund of the City designated the "City of Homer Road Construction Fund" (the "Road Construction Fund"). The proceeds of the Bonds (exclusive of accrued interest, which shall be paid into the Bond Fund) shall be paid into the Road Construction Fund and shall be used only for the purposes of the Bonds and for paying the costs of issuing the Bonds. Money on hand in the Road Construction Fund may be invested in any investment that is legal for funds of the City. When all the costs of the Project have been paid or duly provided for, or if the Project has been permanently abandoned for any reason, the City shall apply the remaining proceeds of the Bonds, if any, for other capital purposes as may be legally authorized for such proceeds or may apply such proceeds to the repayment of the Bonds by transfer to the Bond Fund.

Section 10. Bond Fund. There has been created a special fund of the City known as the "City of Homer Debt Service Fund" (the "Bond Fund"), which fund shall be drawn upon for the purpose of paying the principal of and interest on the Bonds. All accrued interest received from the sale of the Bonds shall be paid into the Bond Fund.

Section 11. Pledge of Full Faith, Credit and Taxing Power. The City hereby irrevocably covenants and pledges for as long as the Bonds are outstanding that it will make provision for the payment of the principal of and interest on such Bonds in its annual budgets and further covenants that it will make annual levies of ad valorem taxes upon all the property within the City subject to taxation, without limitation as to rate or amount, and in amounts sufficient, with such other moneys available for such purposes as the Council from time to time may appropriate and set aside therefor, to pay the principal of and interest on such Bonds as the same shall become due. All of the taxes and any of such

other money so collected shall be paid into the Bond Fund. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of City money. Any interest or profit from the investment of such money shall be deposited in the Bond Fund.

The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy of such taxes and for the prompt payment of such principal and interest as the same shall become due.

Section 12. Sale of the Bonds. The Manager of the City and its Finance Director are hereby authorized and directed to negotiate with the Authority and to establish the terms of an agreement with the Authority for the sale of the Bonds to the Authority, provided that the interest rate to be borne by any installment of the Bonds may not exceed the interest rate on any corresponding bond or bonds of the Authority sold to provide funds for the purchase of the Bonds by the Authority. The date of the Bonds to be sold, the maturity schedule, redemption provisions, interest rates and the form and other terms of the Bonds shall be hereafter fixed by resolution of the City after final passage of this ordinance. The form and terms of said agreement shall be subject to approval by resolution of the Council. The provisions of said agreement when so approved shall be applicable to the Bonds as if set forth herein in full.

Section 13. Defeasance. In the event the City issues advance refunding bonds pursuant to the laws of the State of Alaska, or makes money available from any other lawful source, to pay the principal of and interest on the Bonds or such portion thereof included in the refunding plan as the same become due and payable and to refund all such then outstanding Bonds and to pay the costs of refunding, and has irrevocably set aside in a special fund for and pledged to such payment and refunding money or Government Obligations, or both, or other legal investments sufficient in amount, together with known earned income from the investments thereof, to make such payments and to accomplish the refunding as scheduled (hereinafter called the "trust account"), and makes irrevocable provision for redemption of such Bonds, then in that case all right and interest of the owners of the Bonds to be so retired or refunded (hereinafter collectively called the "defeased Bonds") in the covenants of this ordinance and, except as hereinafter provided, in the funds and accounts obligated to the payment of such Bonds shall thereafter cease and become void. Such owners shall have the right thereafter to receive payment of the principal of and interest on the defeased Bonds from the trust account and, in the event the funds in the trust account are not available for such payment, shall have the right to receive payment of the principal of and interest on the defeased Bonds from the funds and accounts obligated to the payment of such Bonds.

Anything herein to the contrary notwithstanding, the pledge of the full faith and credit of the City to the payment of the Bonds shall remain in full force and effect after the establishing and full funding of such trust account. Subject to the rights of the owners of the Bonds, the City then may apply any money in any other fund or account established for the payment or redemption of the defeased Bonds to any lawful purposes as it shall determine.

Section 14. Tax Covenants. The City hereby covenants that it will not make any use of the proceeds of the sale of the Bonds, or any other funds of the City that may be deemed to be proceeds of such Bonds pursuant to Section 148 of the federal Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder, which will cause the Bonds to be an "arbitrage bond" within the meaning of said section and said regulations. The City will comply with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (or any successor provision thereof applicable to the Bonds) and the applicable regulations thereunder throughout the term of the Bonds.

The City further covenants that it will not take any action or permit any action to be taken that would cause the Bonds to constitute a "private activity bond" under Section 141 of the federal Internal Revenue Code of 1986, as amended.

Section 15. Lost or Destroyed Bonds. In case the Bonds are lost, stolen or destroyed, the Bond Registrar may execute and deliver a new Bond or Bonds of like amount, date, and tenor to the registered owner thereof upon the owner's paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon the owner's filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bonds were actually lost, stolen or destroyed and of his or her ownership thereof, and upon furnishing the City and Bond Registrar with indemnity satisfactory to the Bond Registrar.

Section 16. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City are declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 17. Effective Date. This ordinance shall take effect immediately upon adoption.

ADOPTED this 18<sup>th</sup> day of December 1989.

  
\_\_\_\_\_  
Mayor PRO TEM

ATTEST:

  
\_\_\_\_\_  
Clerk Deputy

CERTIFICATE

I, the undersigned, Clerk of the City of Homer (the "City"),  
DO HEREBY CERTIFY:

1. That the attached Ordinance No. 89-29(S) (herein called the "Ordinance") is a true and correct copy of an ordinance of the City, passed at a regular open public meeting of the Council held on the 18<sup>th</sup> day of December, 1989, 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 meeting was given; that a quorum was present throughout the meeting and a legally sufficient number of members of the Council 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 and affixed the official seal of the City of Homer this 19<sup>th</sup> day of December, 1989.

(SEAL)



*Mary J. Shannon*  
clerk - Deputy