

**CITY OF CORDOVA, ALASKA  
RESOLUTION 09-14-38**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
AUTHORIZING THE CITY OF CORDOVA TO ISSUE GENERAL OBLIGATION BONDS IN  
THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,000,000 TO FINANCE IMPROVEMENTS  
TO CITY OF CORDOVA STREETS AND TO SUBMIT THE QUESTION OF THE ISSUANCE OF  
SUCH DEBT TO THE QUALIFIED VOTERS OF THE CITY AT A NOVEMBER 4, 2014 SPECIAL  
CITY ELECTION; AND DECLARING THE INTENT OF THE CITY OF CORDOVA TO  
REIMBURSE ORIGINAL EXPENDITURES FOR CITY STREET IMPROVEMENTS STARTED  
AFTER THE DATE OF THIS RESOLUTION BUT PRIOR TO THE ISSUANCE OF THE  
GENERAL OBLIGATION BONDS**

**WHEREAS**, the City of Cordova, Alaska ("City") Council passed Resolution 09-14-36, which authorized the City to issue general obligation bonds in the principal amount not to exceed Two Million Dollars but did not provide for reimbursement of expenditures occurring prior to the issuance of the bonds; and

**WHEREAS**, it is in the City's best interest to provide for potential reimbursement of expenditures occurring before the issuance of bonds given the need to construct improvements to City streets quickly and in coordination with the State of Alaska Department of Transportation; and

**WHEREAS**, 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 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 Cordova Planning and Zoning Commission authorized Resolution 13-10 recommending a capital improvement list to the City Council which included One Million Dollars (\$1,000,000) for Street Repair and Improvements/Paving as one of the Commission's top priorities; and

**WHEREAS**, the State of Alaska Department of Transportation's Whitshed Road Improvement Project is scheduled to be completed during the 2015 construction season providing an opportunity for the City to coordinate street improvements with the state; 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 so that the reimbursement will qualify as an expenditure of proceeds of the bonds.

**NOW, THEREFORE, BE IT RESOLVED 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 the amount not to exceed Two Million Dollars (\$2,000,000) for the purpose of paying the cost of completing improvements to City streets.

Section 2. The City is authorized to borrow the sum of Two Million Dollars (\$2,000,000) 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. This resolution is intended to preempt Resolution 09-14-36 and, in the event that Resolution 09-14-36 is inconsistent or conflicts with this resolution, this resolution applies.

Section 4. The City shall submit the following proposition to the qualified voters of the City at the November 4, 2014 Special City Election if such an election is held. 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 DEBT FOR IMPROVEMENTS TO CORDOVA CITY  
STREETS

Shall the City of Cordova incur general obligation indebtedness in an amount not to exceed Two Million Dollars (\$2,000,000) for the purpose of paying the cost of improvements to City streets?

Section 5. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other bond propositions, and the following words shall be added as appropriate and next to a space provided for marking the ballot for voting by hand or machine:

PROPOSITION NO. 1

YES   
NO

Section 6. Sections 1 and 2 of this Resolution shall become effective only if the proposition described in Section 4 is approved by a majority of the qualified voters voting on the proposition at the November 4, 2014 Special City election. The remaining sections of this Resolution shall become effective upon passage and approval.

**PASSED AND APPROVED THIS 17<sup>th</sup> DAY OF SEPTEMBER, 2014**



  
James Kacsh, Mayor

ATTEST:

  
Susan Bourgeois, CMC, City Clerk