

Introduced by:
Drafted by:

Mayor Watson
Wohlforth, Argetsinger,
Johnson & Brecht

Introduced:
Adopted:

April 20, 1995
May 4, 1995

**CITY OF CRAIG, ALASKA
ORDINANCE NO. 95-402**

AN ORDINANCE OF THE CITY OF CRAIG, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$1,500,000 CITY OF CRAIG, ALASKA, 1995 GENERAL OBLIGATION BONDS; FIXING CERTAIN DETAILS OF SAID BONDS; PROVIDING FOR THE FORM AND MANNER OF SALE OF SAID BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE CITY TO THE PAYMENT THEREOF; AUTHORIZING THE ADMINISTRATOR TO NEGOTIATE THE PURCHASE AND SALE OF SAID BONDS; AND RELATED MATTERS.

WHEREAS, pursuant to Ordinance No. 95-398 of the City of Craig, Alaska (the "City"), passed and approved on March 2, 1995, the following question:

CITY OF CRAIG, ALASKA, MUNICIPAL SWIMMING
POOL FACILITY

Shall the City of Craig, Alaska, incur debt and issue general obligation bonds in an amount not to exceed \$1,500,000 for the purpose of providing funds to acquire, equip, construct and install capital improvements for the City of Craig Municipal Swimming Pool and to pay all costs incidental thereto? If approved, the bonds will be payable from ad valorem taxes that may be levied without limit as to rate or amount upon real property within the City of Craig. The City of Craig anticipates payment of a portion of the debt service for the bonds from revenue from the swimming pool and sales tax revenues. Bonds would mature over a period not to exceed 25 years. To be voted upon by registered voters residing within the city limits of the City of Craig. (City of Craig Ord. 95-398)

(herein called the "Proposition") was passed and approved at the special election held on March 21, 1995, and said special election has been duly canvassed and the results thereof certified and confirmed in accordance with law; and

WHEREAS, AS 29.47.410 states that the Council shall provide for the form and manner of sale of bonds; and

WHEREAS, the City has determined and does hereby determine that it is necessary to proceed to design, equip, and construct capital improvements as set forth in the Proposition, to wit: planning, designing, acquiring property for, equipping and constructing the City of Craig Municipal Swimming Pool located in the City (hereinafter referred to as the "Project"); and

WHEREAS, it is deemed necessary and advisable and in the best interest of the City and its inhabitants that an amount not to exceed \$1,500,000, principal amount of the general obligation bonds referred to in the Proposition, be issued at this time in a single series, as hereinafter fixed and determined, for the purpose of raising funds to pay the cost of planning, designing, acquiring property for, equipping, and constructing the Project.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CRAIG THAT:

Section 1. Purpose. The purpose of this Ordinance is to authorize the issuance and sale of not to exceed \$1,500,000 of general obligation bonds of the City to provide the funds to pay the capital costs of the Project, to pay the costs of issuance of the Bonds authorized herein (including the bond insurance premium, if any), to fix certain details and to provide for the form and manner of sale of said Bonds to be issued.

Section 2. Definitions. That the following terms shall have the following meanings in the Ordinance:

A. "Bonds" shall mean any of the City of Craig, Alaska, 1995 General Obligation Bonds issued pursuant to this Ordinance as the evidence of the indebtedness referred to in the Proposition.

B. "Charter" shall mean the Charter of the City, as the same may be amended from time to time.

C. "City" shall mean the City of Craig, Alaska, a municipal corporation of the State of Alaska, organized as a first-class city pursuant to Title 29 of the Alaska Statutes.

D. "Council" shall mean the general legislative authority of the City, as the same may be constituted from time to time.

E. "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations effective or promulgated and applicable thereto.

F. "Cost" or "Costs" means the cost of planning, designing, acquiring property for, constructing, acquiring, rehabilitating, replacing, installing and equipping the Project, including interest on the Bonds during the period of planning, designing, acquiring property for, constructing, acquiring, rehabilitating, replacing, installing and equipping the Project, the cost, whether incurred by the City or by another, of field surveys and advance planning undertaken in connection with the Project properly allocable to the Project, the cost of acquisition of any land or interest therein required as the site or sites of the Project or for use in connection therewith, the cost of any indemnity and surety bonds and premiums on insurance incurred in connection with the Project prior to or during acquisition or construction thereof, all related direct administrative and inspection expenses, whether incurred by the City or by another, in connection with the Project prior to or during acquisition or construction thereof and allocable portions of direct costs of the City, legal fees, costs of issuance of the Bonds by the City, including financing charges and fees and expenses of bond counsel, financial advisors and consultants in connection therewith, the cost of any bond insurance premium, the cost of audits, the cost of all machinery, apparatus and equipment, the cost of engineering, architectural services, designs, plans, specifications and surveys, estimates of cost, the reimbursement of all moneys advanced from whatever source for the payment of any item or items of cost of the Project, and all other expenses necessary or incident to determining the feasibility or practicability of the Project, and such other expenses not specified herein as may be necessary or incident to the acquisition and development of the Project, the financing thereof and the putting of the same in use and operation.

G. "Loan Agreement" shall mean the Loan Agreement between the City and the Alaska Municipal Bond Bank, dated as of the date of the Bonds.

H. "Ordinance" shall mean this Ordinance of the City.

I. "Registrar" shall mean the Administrator of the City, or any successor that the City may appoint by resolution.

Section 3. Authority for Ordinance. The City has ascertained and hereby determines that each and every matter and thing as to which provision is made in this Ordinance is necessary in order to carry out and effectuate the purposes of the City in accordance with the Constitution and statutes of the State of Alaska and the Charter of the City, and to incur the indebtedness and issue the Bonds as referred to in the Proposition.

Section 4. Obligation of Bonds and Pledge. The Bonds shall be direct and general obligation of the City. The full faith and credit of the City and the taxing power of the City are hereby pledged to the payment of the principal of and interest on the Bonds. The City hereby irrevocably pledges and covenants that it will levy and collect taxes upon all the taxable property within the City without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay principal and interest on the Bonds as the same become due and payable.

Section 5. Authorization of Bonds and Purpose of Issuance. For the purpose of raising funds to pay the Costs of acquiring and developing the Project as authorized by the Proposition, which, in accordance with the Proposition, is hereby determined to be necessary, and to provide for original issue discount, if any, and to pay all costs incidental thereto and to the issuance of the Bonds, the Bonds are hereby authorized, and shall be issued in the principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000).

Section 6. Designation, Maturities, Payment Dates, Rates and Bonds. The Bonds shall be designated "City of Craig, Alaska, 1995 General Obligation Bonds," or such other or additional designation as may be made by the Administrator or by the Council by resolution, shall be dated and mature on such dates and may be redeemed in such manner as shall be established by the Administrator pursuant to Section 16 of this Ordinance or by the Council by resolution.

The Bonds shall bear interest from their date payable on such dates at such rates as may be fixed and determined by the Administrator pursuant to Section 16 of this Ordinance or by the Council by resolution adopted prior to the delivery of the Bonds.

The Bonds shall be fully registered as to both principal and interest as herein provided. The Bonds shall each be of the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof of the same interest rate and maturity approved by the City, such approval to be evidenced by the execution of such Bonds. Each Bond shall bear a number or letter, or a number and letter, distinguishing it from every other Bond in the manner and with such additional designation as the Registrar deems necessary for purposes of identification. The Bonds may be delivered with the aggregate principal amount of Bonds maturing on one date represented by one Bond, in typewritten, printed or lithographed form. The Bonds shall be substantially in the form hereinafter set forth, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

Section 7. Place and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all outstanding Bonds are registered in the name of the Alaska Municipal Bond Bank payments of principal and interest thereon shall be made as provided in the Loan Agreement. In the event that the Bonds are no longer registered in the name of the Alaska Municipal Bond Bank, interest on the Bonds shall be paid by check mailed (or by wire transfer to a registered owner of Bonds in aggregate principal amount of \$1,000,000 or more who so requests) to the registered owners of the Bonds at the addresses for such registered owners appearing on the bond register on the 15th day of the month preceding the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at the office of the Registrar.

Section 8. Additional Details of Bonds. Each of the Bonds shall be signed by the manual or facsimile signature of the Mayor and the official seal of the City (or a facsimile thereof) shall be affixed, imprinted or otherwise reproduced on the Bonds, and attested by the manual or facsimile signature of the Clerk or the Clerk pro tem. In case any officer whose signature or facsimile of whose signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

Section 9. Redemption. The Bonds may be redeemed at the times, for the redemption prices, and in such manner, as the Mayor or the Administrator may fix pursuant to Section 16 of this Ordinance.

Notice of any intended redemption of Bonds shall be given not less than 30 nor more than 60 days prior to the date fixed for redemption by United States mail to registered owners of the Bonds to be redeemed at their addresses as they appear on the bond register on the day the notice is mailed; provided, however, that for so long as the Bonds are registered in the name of the Alaska Municipal Bond Bank, all notices shall be given only as provided in the Loan Agreement. The requirements of this Section shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the registered owner.

All official notices of redemption shall be dated and shall state:

- (a) the redemption date;
- (b) the redemption price;
- (c) if fewer than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (d) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar.

Notice of redemption having been given as aforesaid, the Bonds or portions of the Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

If any Bond shall be duly presented for payment and funds have not been duly provided by the City on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until it is paid.

Section 10. Form of Bond. Each Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Ordinance or by resolution of the Council:

*UNITED STATES OF AMERICA
STATE OF ALASKA*

*CITY OF CRAIG, ALASKA
(A Municipal Corporation of the State of Alaska)*

NO. R-

\$

1995 GENERAL OBLIGATION BOND

MATURITY DATE

Registered Owner:

Principal Amount:

The City of Craig, Alaska, a municipal corporation of the State of Alaska (the "City"), for value received, acknowledges itself indebted and hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, upon presentation and surrender hereof, the Principal Amount shown above in the following installments on _____ of each of the following years, and to pay interest on such installments from the date hereof, payable on the first days of _____ and _____ in each year beginning _____ 1, 1995, at the rate per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

For so long as this Bond is owned by the Alaska Municipal Bond Bank (the "Bank"), payment of principal and interest shall be made as provided in the Loan

Agreement between the Bank and the City. In the event that this Bond is no longer owned by the Bank, payment of principal of and interest on this Bond will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the City, provided that the final installment of principal and interest on this Bond will be payable at the office of the City Administrator (the "Registrar") upon surrender of this Bond. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

This Bond is one of the City of Craig, Alaska, 1995 General Obligation Bonds of like tenor and effect except as to interest rate, number, redemption terms and maturity, aggregating \$ _____ in principal amount, and constituting Bonds authorized for the purpose of raising funds to pay the cost of capital improvements in the City, with the question of their issuance for such purposes approved and ratified by a majority vote of the qualified voters of the City who voted on the Proposition at the special election held in the City on March 21, 1995 and is issued pursuant to Ordinance No. 95-___ of the City entitled:

AN ORDINANCE OF THE CITY OF CRAIG, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$1,500,000 CITY OF CRAIG, ALASKA, 1995 GENERAL OBLIGATION BONDS; FIXING CERTAIN DETAILS OF SAID BONDS; PROVIDING FOR THE FORM AND MANNER OF SALE OF SAID BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE CITY TO THE PAYMENT THEREOF; AUTHORIZING THE ADMINISTRATOR TO NEGOTIATE THE PURCHASE AND SALE OF SAID BONDS; AND RELATED MATTERS.

(the "Ordinance").

Bonds maturing on or after _____, _____, may be called for redemption at the option of the City on any date on and after _____, _____, in whole on any date, or in part in increments of \$5,000 with maturities to be selected by the City and by lot within a maturity, at a price of par plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given as provided in the Loan Agreement. From and after the date fixed for redemption, interest on any Bonds so called for redemption shall cease to accrue, provided funds for such redemption are deposited in the 1995 General Obligation Bond Fund.

This Bond is transferable as provided in the Ordinance. The City and the Registrar may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on

account of, the principal or redemption price, if any, hereof and interest due hereon and for all other purposes whatsoever.

This Bond is a general obligation of the City and the full faith and credit of the City are pledged for the payment of the principal of and interest on the Bonds. The City hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the City without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bonds as the same become due and payable.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the Constitution or statutes of the State of Alaska and the Charter of the City to exist, to have happened or to have been performed precedent to or in the issuance of this Bond, exist, have happened and have been performed, and that the series of Bonds of which this is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution, statutes or Code.

IN WITNESS WHEREOF, CRAIG, ALASKA, has caused this Bond to be signed in its name and on its behalf by the signature of its Mayor and its corporate seal to be hereunto impressed and attested by the signature of its Clerk, all as of the ____ day of _____, 1995.

[S E A L]

DENNIS WATSON
Mayor

A T T E S T :

HELEN GRAY
Clerk

(Form of Assignment)

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

_____. (Please print or typewrite the Name and Address, including the Zip Code of the Transferee, and the federal taxpayer identification or social security number) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration and transfer thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

By: _____

By: _____
[Must be a member of the New York
Stock Exchange or a bank]

Section 11. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited in the "1995 General Obligation Bond Fund" which is hereby created, and shall be used and applied to pay the Costs of the Project identified in the Proposition.

Section 12. Ownership of Bonds. The person in whose name a Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal on such Bond and the interest on such Bond shall be made only to or upon the order of the registered owner thereof or her legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon to the extent of the sum or sums so paid.

Section 13. Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may cause to be executed, and shall deliver, a new Bond of like interest rate, principal amount and maturity in exchange and substitution for and

upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed, stolen or lost, upon the registered owner thereof paying the reasonable expenses and charges of the City and the Registrar in connection therewith and in the case of a Bond destroyed, stolen or lost, filing by the owner with the City evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the owner's ownership thereof, and furnishing the City and the Registrar with indemnity satisfactory to it. Any new Bond so delivered may bear a number differing from the number on the Bond it replaces.

Section 14. Transfer of Bonds and Delivery of New Bonds. Any Bond may be transferred only upon said books kept for the registration and transfer of Bonds, upon surrender thereof at the office of the Registrar, together with an assignment duly executed by the registered owner or the registered owner's attorney in such form as shall be satisfactory to the Registrar. Upon the transfer of any such Bond, there shall be executed in the name of the transferee, and the City shall authenticate and deliver, a new registered Bond or Bonds of any denomination which is a multiple of \$5,000, of the same aggregate principal amount, maturity, and interest rate as the surrendered Bond.

In all cases in which Bonds shall be transferred under this Ordinance, there shall be executed, and the City shall authenticate and deliver, Bonds in accordance with the provisions of this Ordinance. The City and the Registrar may make a charge for every such transfer of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such transfer or any other charges of the City incurred in connection therewith, and such charge or charges shall be paid before any such new Bond shall be delivered. Neither the City nor the Registrar shall be required to make any such transfer of a Bond (i) fifteen (15) days prior to an interest payment date on such Bond (ii) during a period of 15 days preceding any selection of Bonds to be redeemed or thereafter until after the mailing of any notice of redemption or (iii) following any publication of notice of redemption of such Bond.

Section 15. Ownership of Bonds. As to any Bond, the person in whose name the same shall be registered on the bond register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal on such Bond and the interest on such Bond shall be made only to or upon the order of the

registered owner thereof or the registered owner's legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

The City and the Registrar shall be entitled to treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes of this Ordinance and any applicable laws, notwithstanding any notice to the contrary received by the Registrar or the City. Neither the City nor the Registrar will have any responsibility or obligation, legal or otherwise, to any other party, except to the owners of the Bonds.

Section 16. Sale of Bonds, Final Terms, Approval of Official Statement. The Bonds shall be sold at negotiated sale. The Administrator is hereby authorized to negotiate terms for the purchase of not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in principal amount of the Bonds to the Alaska Municipal Bond Bank (the "Bank").

The Council has determined that it would be in the best interest of the City to delegate to the Administrator for a limited time the authority to approve certain details of the Bonds including the date and the delivery date, the aggregate principal amount and the principal amount of each maturity, the purchase price, the maturity and interest payment dates, the redemption provisions and the interest rates of each maturity. The interest rates for the Bonds of each maturity and the corresponding principal amount of Bonds shall be determined by agreement among the Bank, Kemper Securities, Inc., as financial advisor (the "Advisor") and the Administrator, shall take into account those factors which, in their judgment, will result in the lowest net effective interest cost on the Bonds to their maturity, and shall be set forth as an exhibit to the Loan Agreement for the Bonds; provided, that the yield on the Bonds does not exceed 8% per annum and the aggregate principal amount of the Bonds does not exceed \$1,500,000.

The Mayor is hereby authorized to execute the final form of the Loan Agreement with the Bank for the Bonds upon his approval of the details of the Bonds including the date and the delivery date, the aggregate principal amount and the principal amount of each maturity, the purchase price, the maturity and interest payment

dates, the redemption provisions and the interest rate of each maturity.

The authority granted to the Mayor or the Administrator by this Section shall expire in 90 days from the date of approval of this Ordinance. If the terms of the Bonds have not been approved by the Mayor or the Administrator in accordance with the delegated authority of this Section by said date, the Bonds shall be sold in the manner provided in the following paragraph.

The Administrator is hereby authorized to solicit an offer or offers for the purchase of the Bonds from a qualified and selected purchaser in such manner as he deems appropriate, and thereafter to negotiate a contract for the purchase of the Bonds which is in the best interest of the City, said contract or contracts to be approved by the Council by Resolution.

- Section 17.** Loan Agreement. The City finds that entering into the Loan Agreement with the Bank which provides, inter alia, for the issuance and sale by the City and the purchase by the Bank of not to exceed \$1,500,000 of the Bonds authorized by this Ordinance is in the best interest of the City and, therefore authorizes the execution of the Loan Agreement by the City's Mayor on behalf of the City, subject to the terms of Section 16 of this Ordinance.
- Section 18.** Authority of Officers. The Mayor, the Administrator and the Clerk, or the Clerk pro tem, are, and each hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Ordinance or to be determined by a subsequent ordinance or resolution of the City, to the end that the City may carry out its obligations under the Bonds, this Ordinance and the Loan Agreement.
- Section 19.** Miscellaneous. All payments made by the City of, or on account of, the principal of or interest on the Bonds shall be made on the several Bonds ratably and in proportion to the amount due thereon respectively for principal or interest as the case may be.

No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or on this Ordinance against any member of the Council or officer of the City or any person executing the Bonds. The Bonds are not and shall not be in any way a debt or liability of the State of Alaska or of any

political subdivision thereof, except the City, and do not and shall not create or constitute any indebtedness or obligation, either legal, moral or otherwise, of said State or of any said political subdivision thereof, except the City, but are payable only from the sources described herein.

- Section 20. Arbitrage Covenant.** The City covenants with the holders of all Bonds at any time outstanding that it will make no use of the proceeds of the Bonds which will cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Internal Revenue Code of 1986. To that end, so long as any of the Bonds are outstanding, the City, with respect to the proceeds of the Bonds, shall comply with all requirements of said Section 148 and of all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.
- Section 21. Compliance with Internal Revenue Code.** The City hereby covenants to comply with any and all applicable requirements set forth in the Internal Revenue Code of 1986 in effect from time to time to the extent that such compliance shall be necessary for the exemption from federal income taxes of the interest on the Bonds. The City hereby further covenants to observe any and all applicable requirements in any future federal tax legislation to the extent that such compliance is determined by the City to be legal and practicable and required for such exemption.
- Section 22. Defeasance.** In the event cash and/or direct, noncallable obligations of the United States of America, maturing at such times and bearing interest to be earned thereon in amounts sufficient to redeem and retire any or all of the Bonds in accordance with their terms are set aside as a special trust account to effect such redemption or retirement and such moneys and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need to be made to pay or secure the payment of the principal of and interest on such Bonds, and such Bonds shall be deemed not to be outstanding.
- Section 23. Prohibited Sale of Bonds.** No person, firm or corporation, or any agent or employee thereof, acting as financial consultant to the City under and agreement for payment in connection with the sale of the Bonds is eligible to bid for the Bonds as a member of the original underwriting syndicate either at public or private sale.

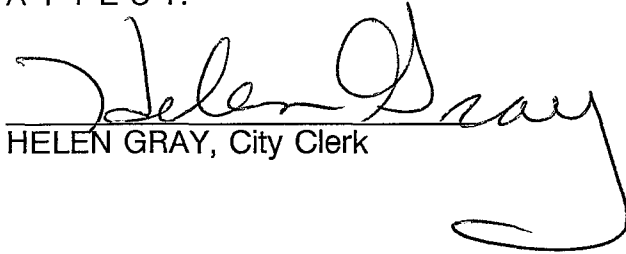
Section 24. Effective Date. This Ordinance shall take effect immediately upon passage and approval by the City Council.

PASSED AND APPROVED THE CITY COUNCIL OF THE CITY OF CRAIG, ALASKA, ON THIS 4th DAY OF MAY 1995.



[SEAL]

ATTEST:


HELEN GRAY, City Clerk

CITY OF CRAIG, ALASKA


DENNIS WATSON, Mayor