

**CITY OF WASILLA
RESOLUTION SERIAL NO. 00-50**

A RESOLUTION OF THE WASILLA CITY COUNCIL AUTHORIZING THE ISSUANCE AND SALE OF A NOT TO EXCEED \$9,800,000 REVENUE BOND, 2000 (SOUTHCENTRAL FOUNDATION PROJECT); THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT TO SECURE THE BOND; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, Southcentral Foundation (the "Borrower") proposes to construct and acquire Phase II of the Anchorage Native Primary Care Center in Anchorage, Alaska (the "Project"), and the Borrower has requested that the City of Wasilla (the "City") issue its not to exceed \$9,800,000 Revenue Bond, 2000 (Southcentral Foundation Project) (the "Bond") to provide funds to finance the construction and acquisition of the Project; and

WHEREAS, the City is a first class city, and under AS 29.47.390 may issue revenue bonds to finance any project that serves a public purpose, with the bonds being secured by and payable from revenues provided by the Borrower; and

WHEREAS, the City finds that the construction and acquisition of the Project by the Borrower will enhance the delivery of health care services to residents of the City, and that the financing of the Project through non-recourse revenue bonds issued by the City is in the best interest, and will serve a public purpose, of the City; and

WHEREAS, the City will sell the Bond to National Bank of Alaska (the "Purchaser") in accordance with terms approved by the Borrower; and

WHEREAS, the City will loan the proceeds of the Bond to the Borrower pursuant to a Loan Agreement (the "Loan Agreement") between the Borrower and the City, under the terms of which (i) the Borrower will be obligated to pay an amount sufficient to pay when due the principal of, premium, if any, and interest on the Bond, together with all expenses of the City properly incurred therewith, and (ii) all rights of the City under the Loan Agreement, except certain rights to reimbursement and indemnification, will be assigned without recourse to the Purchaser; and

WHEREAS, the City has held a public hearing on the Bond as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, there has been presented to the City the form of the Loan Agreement which the City proposes to enter into in connection with the issuance of the Bond; and

WHEREAS, it appears that the Loan Agreement, which now is before the City, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED BY THE WASILLA CITY COUNCIL that:

Section 1. In order to provide funds to finance the construction and acquisition of the Project by the Borrower, the issuance and delivery of the Bond in the principal amount necessary for such purpose, but in no event to exceed \$9,800,000, and in substantially the form and content set forth in the Loan Agreement, subject to appropriate insertions and revisions, hereby are in all respects authorized, approved and confirmed, and the Mayor and Clerk of the City hereby are authorized, empowered

and directed to execute the Bond (either by manual or facsimile signature), seal the Bond with the official seal of the City (manually or by facsimile), and deliver the Bond on behalf of the City to the Purchaser.

This constitutes the public approval of the Bond by the City that is required under Section 147(f) of the Code.

Section 2. The Bond does not constitute an indebtedness or other liability of the City, but shall be payable solely from payments to be made by the Borrower under the Loan Agreement. Neither the faith and credit nor the taxing power of the City shall be pledged to the payment of the Bond.

Section 3. The aggregate principal amount of the Bond, the principal amount of each maturity and sinking fund installment of the Bond, the interest rates on the Bond, the terms for optional redemption of the Bond, the date of the Bond, and the principal and interest payment dates for the Bond, shall be fixed and determined by the Mayor at the time of execution of the Loan Agreement; provided that the rate of interest on the Bond shall not exceed 7.0%.

Section 4. The form and content of the Loan Agreement hereby are in all respects authorized, approved and confirmed, and the Mayor hereby is authorized, empowered and directed to execute and deliver to the counterparties said document on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall to her seem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions

therein from the form and content of said document now before this meeting, and from and after the execution and delivery of said document, the Mayor and the Clerk each hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of said document as executed.

Section 5. The Mayor and Clerk or any other person authorized by the City each hereby is authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this resolution.

Section 6. The City covenants that it shall not use any of the proceeds of the Bond, or take or omit to take any other action, in a manner which would impair the exemption of interest on the Bond from federal income taxation. The City further covenants that it shall not use any proceeds of the Bond or any other funds of the City in a manner which would cause the Bond to be or become "arbitrage Bond" under Section 148 of the Code.

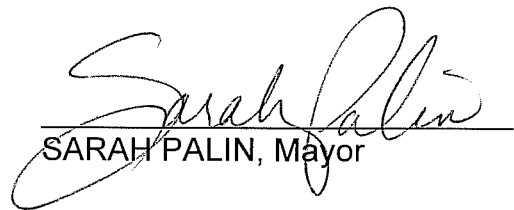
Section 7. The City designates the Bond as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code. The City covenants that it shall not issue during the calendar year 2000 more than \$10,000,000 in aggregate principal amount of tax exempt obligations other than tax exempt obligations described in Section 265(b)(3)(C)(ii) of the Code.

Section 8. The issuance and delivery of the Bond by the City shall be conditioned upon the Borrower paying to the City the sum of \$25,000, plus attorney fees and all expenses incurred by the City in connection with the issuance and delivery of the Bond, as consideration for the City's acting as issuer of the Bond.


Section 9. The provisions of this resolution hereby are declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions hereof.

Section 10. This resolution shall take effect upon adoption by the Wasilla City Council.

ADOPTED by the Wasilla City Council on November 27, 2000.


SARAH PALIN, Mayor

ATTEST:



KRISTIE L. VANGORDER, CMC
City Clerk

[SEAL]