

CITY OF VALDEZ, ALASKA

RESOLUTION #26-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, DECLARING THE OFFICIAL INTENT OF THE CITY OF VALDEZ, ALASKA, TO REIMBURSE CAPITAL EXPENDITURES IN CONNECTION WITH PAVEMENT MANAGEMENT PHASE IV-V FROM PROCEEDS OF A FUTURE BORROWING

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA:

Section 1: The City of Valdez, Alaska (the "City"), intends to make expenditures in connection with Pavement Management Phases IV and V (the "Project") from funds that are available but that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis, or otherwise set aside for those expenditures, and reasonable expects to be reimbursed for those expenditures from proceeds of bonds or other obligations ("bonds") issued to finance those expenditures.

Section 2: Certain federal regulations relating to the use of proceeds of tax-exempt bonds to reimburse the issuer of the bonds for certain expenditures made before the issue date of the bonds require, among other things, that not later than 60 days after payment of the original expenditures the City (or any person designated by the City to do so on its behalf) declare a reasonable official intent to reimburse those expenditures from proceeds of bonds.

Section 3: The City intends to make (and/or, not more than 60 days before the date of this declaration, has made) expenditures, and reasonably expects to reimburse the Capital Project Fund of the City for those expenditures from proceeds of bonds, for the Project.

Section 4: The City expects that the maximum principal amount of bonds that will be issued to finance the Project will be \$7,000,000

Section 5: The Council has reviewed its existing and reasonably foreseeable budgetary and financial circumstances and has determined that the City reasonably expects to reimburse itself for expenditures for the Project from proceeds of bonds because the City has no funds available that already are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City for those expenditures on the Project.

Section 6: The City will know, within one year after the expected reimbursement amounts corresponding to proceeds received from bonds issued in the future to reimburse the City for previously paid expenditures for the Project in any manner that results in those amounts being treated as replacement proceeds of any tax-exempt

bonds, for example, as a result of being deposited in a reserve fund, pledged fund, sinking fund or similar fund (other than a bona fide debt service fund) that is expected to be used to pay principal of or interest on tax-exempt bonds, nor will the City use those amounts in any manner that employs an abusive arbitrage device to avoid arbitrage restrictions.

Section 7: This declaration of official intent shall be dated as the date of passage and approval of this resolution.

Section 8: Any actions of the City or its officers prior to the date thereof and consistent with the terms of this resolution are ratified and confirmed.

Section 9: This resolution shall take effect upon passage and approval.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ,
ALASKA, this 17th day of March, 2026.

City of Valdez, Alaska

Dennis Fleming, Mayor

ATTEST:

Sheri L. Pierce, MMC, City Clerk