

CITY OF ANACORTES, WASHINGTON

ORDINANCE NO. 3084

AN ORDINANCE of the City of Anacortes, Washington, relating to contracting indebtedness; providing for the establishment of a revolving line of credit evidenced by the issuance, sale and delivery of a not to exceed \$4,500,000 principal amount limited tax general obligation Note, in order to provide part of the funds necessary to design and construct extensions to and betterments of the City's fiber optic network for the purpose of supporting City services and other municipal and public purposes, and to pay the costs of issuance and sale of the Note; fixing or setting parameters with respect to certain terms and covenants of the Note; appointing the City's designated representative to approve the terms of the sale and delivery of the Note to SaviBank; repealing Ordinance No. 3082 of the City; and providing for other related matters.

Passed February 16, 2021

This document prepared by:

Stradling Yocca Carlson & Rauth, P.C.  
Seattle, Washington 98104  
(206) 829-3000

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*\*The cover page, table of contents and section headings of this ordinance are for convenience of reference only, and shall not be used to resolve any question of interpretation of this ordinance.*

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**NOW THEREFORE**, the City Council of the City of Anacortes, Washington (the "City"), do ordain as follows:

**Section 1. Recitals and Findings.** The City Council makes the findings and determinations set forth below. Capitalized terms that are not defined have the meanings given in Section 2 of this ordinance.

1.1 *Municipal Fiber Network Services.* The City currently owns and operates a high capacity telecommunications fiber network that serves the City's utility operations, public safety operations and other City and public agency services, and desires to extend and improve that system in order to enhance other utility operations, and public safety operations. The extension and improvement of the City's existing fiber network creates excess capacity that may be used to provide access to ultra high capacity internet and other telecommunications services; capacity for accommodating expanding technologies and demand; and intergovernmental coordination and services, including educational and health institutions.

1.2 *Description of Fiber Network Services.* Pursuant to chapter 13.56 of the Anacortes Municipal Code and applicable state law, the City previously established its Municipal Fiber Network Services to maintain and operate its high capacity telecommunications fiber network in a manner that is intended to satisfy the City's ongoing need for a cost-effective fiber telecommunications system to support City services; to ensure cost-effective telecommunications services continue to be available to public agencies and the City; to operate, manage, and maintain telecommunications facilities owned by the City in the right-of-way up to the point of delivery to public agencies and the City; to manage and regulate competing demands for the use of the public right-of-way by minimizing the installation of duplicative communications lines and facilities on, over or under the public right-of-way; to provide for the operation, management and maintenance of the City's metropolitan area network; to offer affordable, reliable, and locally-managed high-speed broadband service to every business and resident within the City; and to own and operate the telecommunications facilities.

1.3 *Fiber Network Services Business Plan.* City Council Resolution 2013 directed staff to develop a Business Plan for a City-owned and operated fiber network. City staff presented that

Business Plan to the City Council on November 16, 2020. The City is now in need of funds to pay for the construction of the next phase of the fiber system operated by the City (the “Project”). The City is in need of financing for the Project, the estimated total cost of which is more than \$4,500,000, and the City does not have available sufficient funds to pay the cost. The City Council therefore finds that it is in the best interests of the City to issue the Note authorized by this ordinance in order to provide the funds for these purposes.

1.4 *Plan of Financing.* The City Council finds it necessary and advisable that the City issue and sell its limited tax general obligation Note (the “Note”) to evidence indebtedness drawn on a revolving line of credit in a principal amount not to exceed at any given time \$4,500,000 for the purpose of providing financing to enhance the City’s fiber network infrastructure for use by City departments in order to enhance other utility operations, public safety operations, and other City services, to provide access for use by other governmental, and educational and health institutions pursuant to interlocal agreements and other contractual arrangements. Pursuant to applicable law, including without limitation chapters 35.37, 39.36 and 39.46 RCW, the City is authorized to issue general obligation Notes for the purposes described herein.

1.5 *Issuance of the Note.* For the purpose of providing the funds necessary to undertake the Project and to pay the costs of issuance and sale of the Note, the City Council finds that it is in the best interests of the City and its taxpayers to issue the Note and deliver it to the Bank to evidence the indebtedness drawn against a revolving line of credit, pursuant to the terms set forth in this ordinance.

1.6 *LTGO Debt Capacity.* In conjunction with each Draw Request, the Finance Director shall provide a written calculation of the City’s then-current LTGO Debt Capacity, and the Purchaser is entitled to rely upon such representation for purposes of authorizing such Draw. The maximum amount of indebtedness authorized by this ordinance to be outstanding at any one time is \$4,500,000 to be issued within the amount permitted to be issued by the City for general municipal purposes without a vote. The City finds and represents that this amount is within its LTGO Debt Capacity, calculated based upon the following facts:

(a) The assessed valuation of the taxable property within the City as ascertained by the last preceding assessment for City purposes is \$3,985,572,170. The last preceding assessment completed as of the date of this ordinance is the assessment prepared for collection in the calendar year 2020; the assessment for collection in calendar year 2021 has not yet been finalized.

(b) As of the date hereof, the City had no outstanding nonvoted limited tax general obligation indebtedness incurred within the limit of up to 1½% of the value of the taxable property within the City (\$59,783,582.55) permitted for general municipal purposes without a vote.

(c) As of the date hereof, the City had no outstanding voter-approved unlimited tax general obligation indebtedness incurred within the limit of up to 2½% of the value of the taxable property within the City (\$99,639,304.25) for capital purposes only for general municipal purposes; no outstanding voter-approved indebtedness incurred within the limit of up to 2½% of the value of the taxable property within the City (\$99,639,304.25) for City-owned water, artificial light, and sewers; and no outstanding voter-approved unlimited tax general obligation indebtedness incurred within the limit of up to 2½% of the value of the taxable property within the City (\$99,639,304.25) for acquiring or developing open space, park facilities, and capital facilities associated with economic development.

**Section 2. Definitions.** As used in this ordinance, the following capitalized terms shall have the following meanings:

(a) “*Bank*” means SaviBank, Anacortes, Washington (or its corporate successor) or any other qualified public depository selected by the City as the provider of the line of credit consistent with RCW 39.46.050.

(b) “*City*” means the City of Anacortes, Washington, a municipal corporation duly organized and existing under the laws of the State.

(c) “*City Council*” means the legislative authority of the City, as duly and regularly constituted from time to time.

(d) “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(e) “*Designated Representative*” means the officer of the City appointed in Section 4 of this ordinance to serve as the City’s designated representative in accordance with RCW 39.46.040(2) for purposes of accepting, on behalf of the City, an offer to purchase the Note on the Note Terms consistent with this ordinance and the parameters set forth herein.

(f) “*Draw*” means an incremental draw of principal of the Note.

(g) “*Draw Request*” means a request for a Draw, submitted in accordance with this ordinance.

(h) “*Finance Director*” means the Finance Director or such other officer of the City who succeeds to substantially all of the responsibilities of that office.

(i) “*Government Obligations*” has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(j) “*Interest Rate*” means a fixed rate of 1.75% computed on the basis of a 360-day year of twelve 30-day months.

(k) “*Issue Date*” means the date of issuance and delivery of the Note to the Bank in exchange for the purchase price of the Note.

(l) “*LTGO Debt Capacity*” means the City’s capacity to issue nonvoted limited tax general obligation debt, calculated in accordance with chapter 39.36 RCW and the State constitution.

(m) “*Maturity Date*” means a date not later than January 31, 2024.

(n) “*Municipal Fiber Network Services*” means the communications services, provided in whole or in part by means of the city’s municipal fiber network or other communications infrastructure, network services that include residential internet services, business class internet services, dedicated internet access services, dark fiber services, ethernet service, and other city-provided communications services of the City established and operating under chapter 13.56 of the Anacortes Municipal Code.

(o) “*Note*” means the not to exceed \$4,500,000 Revolving Line of Credit Note issued pursuant to and for the purposes provided in this ordinance.

(p) “*Note Counsel*” means the firm of Stradling Yocca Carlson & Rauth, P.C., its successor, or any other attorney or firm of attorneys selected by the City with a nationally recognized standing as Note counsel in the field of municipal finance.

(q) “*Note Debt Service Fund*” means the general indebtedness fund of the City created for the payment of the principal of and interest on general obligations of the City, including the Note.

(r) “*Note Register*” means the books or records maintained by the Note Registrar for the purpose of identifying ownership of the Note.

(s) “*Note Registrar*” means the Finance Director.

(t) “*Note Terms*” means the terms of the line of credit established consistent with the parameters set forth in Exhibit A, including the amount, date or dates, denominations, interest rate or rates (or mechanism for determining the interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants.

(u) “*Project*” means the design and construction of extensions to and enhancements to the City’s fiber network infrastructure for use by City departments in order to enhance other utility operations, public safety operations, and other City services, including the creation of excess capacity that may be used to provide access to ultra-high capacity internet and other telecommunications services, to provide access for use by other governmental offices, educational institutions, health institutions, businesses, and residents pursuant to interlocal agreements and other contractual arrangements

(v) “*Project Fund*” means that part of the General Fund of the City created for the purposes of paying the costs of carrying out the Project.

(w) “*Record Date*” means the Note Registrar’s close of business on the 15th day of the month preceding an interest payment date.

(x) “*Registered Owner*” means, with respect to the Note, the person in whose name the Note is registered on the Note Register.

(y) “*State*” means the State of Washington.

(z) “*System of Registration*” means the system of registration for the City’s Notes, Notes and other obligations set forth in Ordinance No. 1944 of the City.

**Section 3. Authorization of Note.** In order to provide funds necessary to carry out the Project, including paying the costs of issuance and delivery of the Note, the City is authorized to borrow money on the credit of the City and issue a limited tax general obligation Note evidencing indebtedness to be drawn in a maximum principal amount of not to exceed \$4,500,000 outstanding at any given time. The proceeds of Draws on the Note shall be deposited as set forth in Section 9 of this ordinance and shall be used for the purposes described herein in such order of time as the City determines is advisable and practicable.

**Section 4.** Appointment of Designated Representative; Description of the Note. The Finance Director is appointed as the Designated Representative of the City for purposes of RCW 39.46.050 and is authorized and directed to approve the Note Terms and the form of the Note, within the parameters set forth in Exhibit A, which is incorporated by this reference, with such additional terms and covenants as the Designated Representative deems advisable.

The Note shall be issued in fully registered form, shall be numbered R-1, shall be dated the date of the first substantial Draw against the Note in accordance with the Code, and shall mature on the Maturity Date. Draws on the Note shall be made and shall bear interest as set forth in Section 5 below. The line of credit evidenced by the Note is revolving. Amounts repaid may be reborrowed, provided, however, the Draws may only be used for cost and expenses associated with the Project.

**Section 5.** Draws on the Note. The City's Designated Representative is designated as the officer authorized to make Draws on the Note. As a condition to the initial Draw, the City shall have delivered this ordinance authorizing the loan transaction with the Bank and a legal opinion certifying the City's ability to enter into the loan transaction with the Bank and the tax status of the Note. The City, through its Designated Representative, may make Draws with three business days' prior written notice to the Bank. Only one draw shall be permitted each month and the minimum amount of any Draw shall be \$50,000. Draw Requests shall be in substantially the form attached hereto as Exhibit B, and shall be made in accordance with the terms and provisions of this ordinance. Draws shall be recorded on the Draw Record attached to the Note, or in such other form as the City and the Bank agree.

**Section 6.** Interest Rate; Bank Fees. Interest on each Draw against the Note shall accrue at the fixed Interest Rate, defined above, accruing from the date of that Draw. Interest on each Draw shall be computed on the principal amount of the Draw outstanding on the basis of a 360-day year of twelve 30-day months. Upon the initial delivery of the Note to the Bank, the City shall pay the Bank's attorney's fees equal to \$6,000, and any other reasonable costs incurred by the Bank in connection with the Note financing, which may be discounted against the proceeds of the first Draw on the Note. The City Council finds that the fixing of the Interest Rate is in the best interest of the City.

**Section 7.** Note Registrar; Registration and Transfer of Note.

**7.1** *Registration of Note.* The Note shall be issued only in registered form as to both principal and interest and the ownership of the Note shall be recorded on the Note Register.

**7.2** *Note Registrar; Duties.* The Finance Director shall serve as initial Note Registrar. The Note Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Note, which shall be open to inspection by the City at all times. The Note Registrar is authorized, on behalf of the City, to authenticate and deliver the Note in accordance with the provisions of the Note and this ordinance, and to serve as the City's authenticating agent, transfer agent, registrar and paying agent for the Note and to carry out all of the Note Registrar's powers and duties under this ordinance and the System of Registration. The Note Registrar shall be responsible for its representations contained in the Note Registrar's Certificate of Authentication on the Note.

**7.3** *Note Register; Transfer of Note.* The Note Register shall contain the name and mailing address of the Registered Owner and the principal amount and number of the Note held by the Registered Owner. The Note shall state on its face that the principal and interest shall be paid only to the Registered Owner thereof registered as such on the Note Register as of the Record Date and to no

other person or entity, and that such Note may not be assigned except on the books of the Note Register. The Note may be assigned or transferred only in whole by the Registered Owner to a single investor that is a financial institution or person who is reasonably believed to be a qualified institutional buyer or accredited investor within the meaning of the applicable federal securities laws. The Note Registrar shall not be obligated to transfer registered ownership during the period between the applicable Record Date and the next upcoming installment payment or the Maturity Date. When the Note has been paid in full, as to principal, interest and/or other costs and expenses due by the City to the Bank with respect to the Note, the Registered Owner shall promptly present and surrender the Note to the City as the principal offices of the City for cancellation.

**Section 8. Form and Execution of Note.**

8.1 *Form of Note; Signatures and Seal.* The Note shall be prepared in a form consistent with the provisions of this ordinance and State law. The Note shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on the Note ceases to be an officer of the City authorized to sign Notes before the Note bearing his or her manual or facsimile signature is authenticated by the Note Registrar, or issued or delivered by the City, that Note nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign Notes. The Note also may be signed on behalf of the City by any person who, on the actual date of signing of the Note, is an officer of the City authorized to sign Notes, although he or she did not hold the required office on its Issue Date.

8.2 *Authentication.* Only if the Note bears a Certificate of Authentication in substantially the following form, manually signed by the Note Registrar, shall it be valid or obligatory for any purpose or entitled to the benefits of this ordinance: “Certificate Of Authentication. This Note is the fully registered City of Anacortes, Washington, [*name of issue and series designation, if any*], described in the Note Ordinance.” The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Note so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

**Section 9. Deposit and Use of Draw Proceeds.** The principal proceeds of each Draw shall be paid into the Project Fund to be used to pay costs of the Project and costs of issuance of the Note. Until needed for such purposes, the City may invest principal proceeds temporarily in any legal investment, and the investment earning may be retained in the Project Fund and be spent for the purposes of that Fund.

**Section 10. Payment of Interest on and Principal of the Note; Prepayment Provisions.** Principal of and interest on the Note shall be payable in lawful money of the United States of America. Interest on the Note is payable by electronic transfer on each semiannual installment payment date, occurring on May 1 and November 1 of each year, beginning May 1, 2021 (or such other semiannual payment dates as may be acceptable to the Designated Representative), or by check or draft mailed to the Registered Owner sufficiently in advance so as to be received by the Registered Owner not later than the due date thereof, at the address appearing on the Note Register on the Record Date.

Principal shall be due on the Maturity Date in an amount equal to all then outstanding principal, plus all accrued interest then due and payable. The City may pay any or all of the principal amount then-outstanding under the Note, upon 15 days advance written notice, in the same manner



as interest is paid on dates that mark three-month intervals from the Issue Date. Partial prepayments shall be applied to outstanding principal on the Note only. Interest on the principal amount of the Note that is prepaid shall cease to accrue on the date of such prepayment. The Note is not subject to acceleration under any circumstances. The line of credit evidenced by the Note shall be revolving and principal repaid may be reborrowed.

**Section 11. Note Debt Service Fund.** The general indebtedness fund of the City shall serve as the Note Debt Service Fund for the purpose of paying principal of and interest on the Note. All amounts allocated to the payment of the principal of and interest on the Note shall be deposited in the Note Debt Service Fund as necessary for the timely payment of amounts due with respect to the Note. The principal of and interest on the Note shall be paid out of the Note Debt Service Fund. Until needed for that purpose, the City may invest money in the Note Debt Service Fund temporarily in any legal investment, and the investment earnings shall be retained in the Note Debt Service Fund and used for the purposes of that fund.

**Section 12. Pledge of Taxes.** The amount of outstanding principal drawn on the Note at any given time constitutes a general indebtedness of the City and is payable from tax revenues of the City and such other money as is lawfully available and pledged by the City for the payment of principal of and interest on the Note. For as long as the Note is outstanding, the City irrevocably pledges to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of the electors of the City on all of the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Note, and the full faith, credit and resources of the City are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal interest and such pledge shall be enforceable in mandamus against the City.

**Section 13. Failure to Pay Note.** If the principal of the Note is not paid when the Note is properly presented at its maturity, the City shall be obligated to pay interest on that Note at the same rate provided in the Note from and after its maturity or date fixed for redemption until that Note, both principal and interest, is paid in full.

**Section 14. Sale and Delivery of the Note.** The Designated Representative is authorized to negotiate the Note Terms with a qualified public depository in accordance with RCW 39.46.050. In accepting those Note Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the City. The City shall be responsible for costs of issuance, including its own legal and administrative costs and the fees of Note Counsel. The Note will be prepared at City expense and will be delivered to the Bank in accordance with the Line of Credit Agreement, together with the approving legal opinion of Note Counsel regarding the Note.

**Section 15. Tax Covenants.**

15.1 *Preservation of Tax Exemption for Interest on Note.* The City covenants that it will take all actions necessary to prevent interest on the Note from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Note or other funds of the City treated as proceeds of the Note that will cause interest on the Note to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the

Note, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Note.

15.2 *Post-Issuance Compliance.* The Finance Director is authorized and directed to review and update the City's written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Note from being included in gross income for federal tax purposes.

15.3 *Designation of Note as "Qualified Tax-Exempt Obligation."* The Note may be designated as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code, if (1) the Note does not constitute a "private activity Note" within the meaning of Section 141 of the Code; and (2) the reasonably anticipated amount of tax-exempt obligations (other than private activity Notes and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Note is issued will not exceed \$10,000,000.

**Section 16. Governing Law.** This ordinance and the Note shall be governed and interpreted according to the laws of the State. Nothing in this paragraph shall be constructed to limit or otherwise affect any rights or remedies of the Bank under federal law.

**Section 17. Reports and Information.** For so long as the Note is outstanding, the City shall provide to the Registered Owner, (i) within 270 days after the end of each fiscal year, a copy of the unaudited financial statements of the City for that fiscal year, prepared in accordance with accounting principles applicable to governmental units of the State such as the City prescribed by the Washington State Auditor's Office ("SAO"), as such principles may be changed from time to time; (ii) annual audited financial statements within 30 days of receipt, prepared in accordance with accounting principles applicable to local governmental units of the State such as the City prescribed by the SAO, as such principles may be changed from time to time; (iii) promptly after adoption by the City, the budget of the City for each fiscal year the Note is outstanding; and (iv) such other financial information of the City as the Registered Owner may from time to time reasonably request.

**Section 18. General Authorization and Ratification.** The Designated Representative and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of the Note to the Bank (including approving additional terms, conditions or covenants as set forth in Exhibit A) and for the proper application, use and investment of the proceeds of the Note. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

**Section 19. Severability.** The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all

other circumstances, shall remain valid and enforceable. The provisions of this ordinance constitute a contract of the City for the benefit of the Registered Owner.

**Section 20. Repealer.** Ordinance No. 3082, passed by the Council on January 19, 2021, is hereby repealed in its entirety.

**Section 21. Effective Date.** This ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

PASSED by the City Council of the City of Anacortes, Washington, at a regular open public meeting thereof, this 16<sup>th</sup> day of February, 2021, and signed in authentication of its passage this 16<sup>th</sup> day of February, 2021.

*Laurie Gere*

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Laurie Gere, Mayor

AUTHENTICATED:

*Steven D. Hoglund*

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Steven D. Hoglund, City Clerk

APPROVED AS TO FORM:

*[Signature]*

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Stradling Yocca Carlson & Rauth, a  
Professional Corporation, Note Counsel

**EXHIBIT A**  
**DESCRIPTION OF THE LINE OF CREDIT NOTE**

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- (a) Principal Amount. The principal amount of the Note evidencing the line of credit shall not exceed the principal amount of \$4,500,000 outstanding at any given time. This line of credit is revolving and principal repaid may be redrawn.
- (b) Date or Dates. The Note shall be dated its Issue Date, which date may not be later than one year after the effective date of this ordinance.
- (c) Denominations, Name, etc. The Note shall be issued as a single Note and shall be numbered R-1 or in any other the manner and with any additional designation as deemed necessary or appropriate by the Designated Representative.
- (d) Interest Rate(s). Each Draw against the Note shall bear interest at the fixed Interest Rate of 1.75% per annum, computed on the basis of a 360-day year of twelve 30-day months, from the date of the Draw or from the most recent date for which interest has been paid or duly provided for, whichever is later.
- (e) Payment Dates. Interest shall be payable beginning on May 1, 2021 and semi-annually thereafter on each May 1 and November 1 (or such other dates as are acceptable to the Designated Representative) through and including the Maturity Date. Principal shall be payable at maturity and may be prepaid as set forth in item (g). Principal repaid may be redrawn.
- (f) Final Maturity. All then-outstanding principal drawn on the Note shall mature on January 31, 2024.
- (g) Redemption Rights. Principal drawn on the Note may be prepaid in whole or in part upon 15 days' notice, without prepayment penalty on dates that mark three-month intervals from the date of issuance of the Note.
- (h) Price. Each Draw shall be at 100% of par; there shall be no premium or discount.
- (i) Other Terms and Conditions. The Note may not be issued if it would cause the indebtedness of the City to exceed the City's legal debt capacity on the Issue Date.

**EXHIBIT B  
FORM OF DRAW REQUEST**

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CITY OF ANACORTES, WASHINGTON  
REVOLVING LINE OF CREDIT NOTE  
DRAW REQUEST NO. \_\_\_\_\_

TO: SaviBank

\_\_\_\_\_  
\_\_\_\_\_

On behalf of the City of Anacortes, Washington (the "City"), I hereby certify that:

1. I am the Designated Representative of the City, and that I am authorized to request this Draw under Ordinance No. \_\_\_\_\_ of the City authorizing issuance of the Revolving Line of Credit Note (the "Ordinance") and to make the representations on behalf of the City set forth herein. Terms not otherwise defined herein shall have the meanings set forth in the Ordinance.

2. The amount of this Draw is \$\_\_\_\_\_, which amount is at least \$5,000.00.

3. The Borrowing of this Draw will not cause the City to exceed its LTGO Debt Capacity on file with the Bank. The City hereby submits a Calculation of its LTGO Debt Capacity attached as Schedule 1, hereof.

4. Please disburse the Draw to the City on \_\_\_\_\_, 20\_\_ by depositing funds as follows:

ABA Number: \_\_\_\_\_  
For the Project Fund of the City of Anacortes  
Account No.: \_\_\_\_\_  
Draw No.: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF ANACORTES, WASHINGTON

\_\_\_\_\_  
Designated Representative

**CERTIFICATION**

I, the undersigned, City Clerk of the City of Anacortes, Washington (the “City”), hereby certify as follows:

1. The attached copy of Ordinance No. 3084 (the “Ordinance”) is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on February 16, 2021, as that ordinance appears on the minute book of the City.

2. The Ordinance will be in full force and effect five days after publication in the City’s official newspaper, which publication date was February 24, 2021.

3. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: February 16, 2021.

CITY OF ANACORTES, WASHINGTON

*Steven D. Hoglund*

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City Clerk

## Certificate Of Completion

Envelope Id: 7F227D0A1ACA45DC874C5A3611003B9E	Status: Completed
Subject: SIGNATURE REQUIRED: Approved Ordinance 3084	
Source Envelope:	
Document Pages: 14	Signatures: 4
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	City Clerk
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	PO Box 547
	904 6th St
	Anacortes, WA 98221
	cityclerk@cityofanacortes.org
	IP Address: 23.90.91.2

## Record Tracking

Status: Original	Holder: City Clerk	Location: DocuSign
2/16/2021 8:10:33 PM	cityclerk@cityofanacortes.org	

## Signer Events

Alice Ostdiek  
AOstdiek@SYCR.com  
Security Level: Email, Account Authentication (None)

## Signature

Signature Adoption: Drawn on Device  
Using IP Address: 104.193.114.104

## Timestamp

Sent: 2/16/2021 8:13:11 PM  
Viewed: 2/17/2021 9:55:17 AM  
Signed: 2/17/2021 9:57:38 AM

### Electronic Record and Signature Disclosure:

Accepted: 2/17/2021 9:55:17 AM  
ID: 1771b098-d09c-4cd1-a3c1-5b4980c14115

Steven D. Hoglund  
steveh@cityofanacortes.org  
City Clerk/Treasurer  
City of Anacortes  
Security Level: Email, Account Authentication (None)

Signature Adoption: Pre-selected Style  
Using IP Address: 23.90.91.2

Sent: 2/16/2021 8:13:11 PM  
Viewed: 2/17/2021 10:20:23 AM  
Signed: 2/17/2021 12:05:14 PM

### Electronic Record and Signature Disclosure:

Accepted: 1/8/2019 2:26:27 PM  
ID: 9b1630a8-aa5f-4ac5-93eb-5700d104d979

Laurie Gere  
laurieg@cityofanacortes.org  
Security Level: Email, Account Authentication (None)

Signature Adoption: Pre-selected Style  
Using IP Address: 23.90.91.2

Sent: 2/16/2021 8:13:11 PM  
Viewed: 2/17/2021 11:31:26 AM  
Signed: 2/17/2021 11:31:43 AM

### Electronic Record and Signature Disclosure:

Accepted: 2/17/2021 11:31:26 AM  
ID: 34aede1e-c018-42c3-a390-20f1a299b3b4

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

<b>Certified Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
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<b>Carbon Copy Events</b>	<b>Status</b>	<b>Timestamp</b>
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<b>Witness Events</b>	<b>Signature</b>	<b>Timestamp</b>
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<b>Notary Events</b>	<b>Signature</b>	<b>Timestamp</b>
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<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
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Envelope Sent	Hashed/Encrypted	2/16/2021 8:13:12 PM
Certified Delivered	Security Checked	2/17/2021 11:31:26 AM
Signing Complete	Security Checked	2/17/2021 11:31:43 AM
Completed	Security Checked	2/17/2021 12:05:14 PM

<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
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<b>Electronic Record and Signature Disclosure</b>
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PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
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Enabled Security Settings:	Allow per session cookies

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