

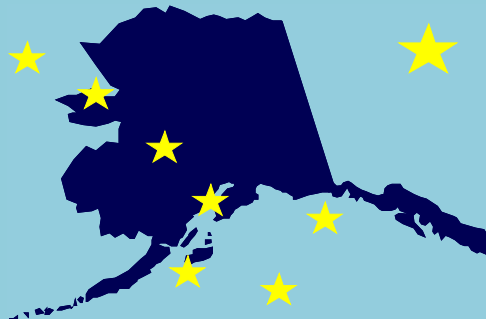
STATE OF ALASKA

STATE BOND COMMITTEE

Department of Revenue Commissioner's Conference Room

January 6, 2014

10:00 a.m.



STATE BOND COMMITTEE AGENDA FOR BOARD OF DIRECTOR'S MEETING

**Alaska Department of Revenue
Commissioner's Conference Room
333 Willoughby Avenue
State Office Building, 11th Floor
Juneau, Alaska 99811**

January 6, 2014 10:00 A.M.

- I. Call to Order**
- II. Roll Call**
- III. Public Meeting Notice**
- IV. Approval of Agenda**
- V. Minutes of September 16, 2013 State Bond Committee Meeting**
- VI. Public Participation and Comment**
- VII. New Business**
 - A. Resolution 2014-01 allocating the 2013 private activity bond volume cap**
 - B. Resolution 2014-02 2014 Series A COP reimbursement resolution**
 - C. Resolution 2014-03 2014 General Obligation Bond Anticipation Note**
 - D. Approval of DOT shift in spending**
 - E. Debt Manager's Report**
- VIII. Committee Member Comments**
- IX. Schedule Next Meeting**
- X. Adjournment**

Notice is hereby given that the State of Alaska State Bond Committee will hold a meeting at the Alaska Department of Revenue Commissioner's Office, 333 Willoughby Avenue, 11th Floor, Juneau, Alaska 99811, on January 6, 2014 at 10:00 a.m.

Resolution 2014-01	Allocating 2013 Private Activity Bond Volume Cap
Resolution 2014-02	Authorizing the issuance of a 2014 Series of State of Alaska Certificates of participation
Resolution 2014-03	Authorizing the issuance of 2014 Series of State of Alaska General Obligation Bond Anticipation Notes

Debt Manager's Report

The public is invited to attend and will be given the opportunity for public comment and participation. The State Bond Committee complies with Title II of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973.

Dated December 26, 2013
Deven Mitchell

**OFFICIAL MINUTES
STATE BOND COMMITTEE
September 16, 2013**

A meeting of the State Bond Committee was held at 2:00 p.m. on September 16, 2013 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska.

State Bond Committee Members present in Juneau were:

Angela Rodell, Acting Commissioner, Department of Revenue
Michael Barnhill, Deputy Commissioner, Department of Administration

State Bond Committee Members present telephonically were:

Daniel Patrick O'Tierney, Deputy Commissioner, Department of
Commerce, Community & Economic Development

Also present in Juneau were:

Deven Mitchell, Debt Manager, Department of Revenue
Ryan Williams, Department of Revenue

Also present telephonically were:

Kerry Salas, K & L Gates
Cynthia Weed, K & L Gates
Pete Nissen, Acacia Financial
Phoebe Seldon, Acacia Financial

I. Call to Order

Mr. O'Tierney called the meeting to order at 2:02 p.m. AST.

II. Roll Call

Mr. Mitchell took roll call. Ms. Rodell, Mr. Barnhill and Mr. O'Tierney were present.

III. Public Meeting Notice

A copy of the Affidavit of Publication concerning the date, location, and purpose of the meeting were reviewed and made a part of the minutes of the meeting. Mr. Mitchell stated the meeting notice was advertised in the State's Online Public Notice.

IV. Approval of Agenda

Ms. Rodell moved and Mr. Barnhill seconded approval of the Agenda. The motion was adopted without objection.

V. Minutes of February 20, 2013

Ms. Rodell pointed out two corrections to the committee packet's minutes. Mr. Barnhill moved and Ms. Rodell seconded approval of the revised minutes of February 20, 2013. The motion was approved without objection.

VI. Public Comment

Mr. O'Tierney asked for public participation and comment. There was none.

VII. New Business

Resolution 2013-02

Mr. Mitchell stated that the resolution authorizes bond anticipation note (BAN) series for the issuance of up to \$1,688,000 for the Clean Water Fund and up to \$1,795,000 for the Drinking Water Fund. The borrowed money (BANs proceeds) will be used as State of Alaska match to obtain federal appropriations into the Funds. The borrowed money (BANs) will be paid off the day following initial borrowing with investment earnings that are already in the Funds. The only purpose for this transaction is to obtain additional federal appropriations into the Funds without obligating additional general funds. This year's transaction represents the 13th year this mechanism has been used to provide for State match for the Federal funds. Key Agency Services has provided a bid to facilitate the BANs for a total fee of \$2,500 plus interest expense of up to \$406.22. The final amount of interest expense will be determined when the Department of Environmental Conservation identifies the deposit amounts that are desired for the Funds. I expect the transaction to be facilitated in the Month of October.

Mr. Barnhill moved and Ms. Rodell seconded approval of Resolution 2013-02. Mr. O'Tierney questioned the allowance for up to \$40,000 for costs of issuance in section 5. Based on Mr. Mitchell's explanation costs are anticipated to be significantly less than that amount. Following discussion Ms. Rodell moved and Mr. Barnhill seconded amending the allowance for cost of issuance in section 5 to \$10,000. The amendment was approved without objection. Mr. O'Tierney then asked if the third paragraph in Section 5 read correctly as Mr. Mitchell has indicated that the State will be using Key Agency Services for the overnight loan. Following additional discussion Mr. Barnhill moved that the first sentence of the third paragraph in section 5 of the resolution should be amended to read, "If the Designated Representative elects to prepare a solicitation" to the beginning of the sentence. Ms. Rodell seconded the motion and it was approved without objection. The Committee then approved Resolution 2013-02 as amended with three yes votes.

described the documents contained in the committee members' packets including Resolution 2013-01 and a draft of the preliminary official statement. Mr. Mitchell noted that the resolution delegated authority to approve the terms and conditions of the initial sale of the 2012 transportation general obligation bond issuance authority for \$150 million. Ms. Weed emphasized the legal delegations and authority that the Resolution conveyed. Mr. Mitchell continued that this Bond Anticipation Note will be the initial issuance related to the \$453 million of 2012 transportation projects. The size of the issue is based on the reported expected cash flows for the coming 12 months. The Bond Anticipation Notes will be issued with a fixed rate of interest based on a maturity 12 months after issuance. The Resolution limits the rate of interest to 1%, and in the current market we expect the rate to be in the .25-.35 percent interest rate. Mr. Barnhill noted on page 16 in the fourth paragraph there was a reference to AS 37.15.012 that was questionable. After discussion that paragraph was struck from the resolution. Ms. Rodell moved and Mr. Barnhill seconded the motion. The motion was carried with three yes votes.

Alaska International Airports System Update

Mr. Mitchell explained that the Alaska International Airports System (AIAS) has developed a plan of financial goals over the course of the last several years regarding certain AIAS revenue bonds. The AIAS is an enterprise located in the Department of Transportation and Public Facilities comprised of the Anchorage and Fairbanks International airports. Management of the AIAS is accomplished through the oversight of the DOT Deputy Commissioner for Aviation, Steve Hatter, implemented on an AIAS wide basis by the AIAS Controller, Keith Day, with day to day operations management provided by Anchorage and Fairbanks airport directors, John Parrot and Jesse Vanderzanden respectively. Mr. Mitchell continued that the issuance of AIAS revenue bonds is legally approved by the State Bond Committee, but as has been learned by historical trial and error, the bonds that are issued must be carefully woven into the management plan for the System. Accordingly Mr. Mitchell plans to work closely with Keith Day and others at the AIAS to ensure their management goals are met in any financing undertaken on behalf of AIAS.

The AIAS management team has requested that the currently variable rate 2009A AIAS revenue bonds be effectively converted to fixed rate. The primary reason for this is that the AIAS has a plan to draw down their cash position and will thus lose the natural hedge that they've historically had against rising interest rates. Additional reasons that have been cited include perceived credit risk, and interest rate risk which ties into the primary reason of diminished cash position. The AIAS would like to accomplish this conversion prior to the end of the fiscal year.

Mr. Mitchell indicated that he has distributed an RFQ for underwriter to a list of firms generated in consultation with AIAS Controller Keith Day. The firms identified have reviewed the AIAS debt and worked to provide value over the last several years by meeting with both

Alaska International Airport System(AIAS)

Mr. Mitchell explained that this agenda item was added to provide an update on the potential AIAS refinancing reported on at the last meeting. Mr. Mitchell pointed the Committee to the Moody's rating update in their packets with which they downgraded the AIAS credit rating from AA3 to A1. This shift wasn't unexpected as the AIAS had been on negative outlook with Moody's for approximately 18 months. The downgrade was the result of a diminished air cargo traffic level between Asia and Central US. The AIAS has retained its market share of this cargo flow, but the flow has been more volatile than previously expected. Mr. Mitchell then reviewed the Goldman Sachs 2013 Finance Plan Update contained in the Committee's packets. He provided some explanation on current market conditions and the evolution of the market over the last 6 months. One of the primary reasons that the AIAS refinancing was placed on hold was that the 2006 C bonds were randomly selected for audit by the IRS. The financing team determined that the audit would negatively impact the pricing and therefore that the transaction should be shelved until its resolution. At the same time the financing was shelved interest rates on the long end of the yield curve increased. That said, as you can see on page 6 of the update there is approximately \$50 million of AMT refunding potential that generates almost \$4 million of savings or almost 8% present value savings as a percentage of the refunded bonds. There are additional Non-AMT candidates identified as well. Ms. Rodell requested that Mr. Mitchell reach out to the IRS based on the lack of communication since the audit was initiated. Mr. Mitchell state that the IRS would be contacted.

Debt Manager's Report

Mr. Mitchell reported on the following items:

The 2013 Series C general obligation bond anticipation notes authorized at the February meeting were successfully sold on March 14, 2013 and closed on March 27. The blended all in net interest cost of the bonds is .09571%. This sale is funding the initial cash flow associated with the 2012 transportation authorization. Given updates to the cash flow the \$152.1 million generated from the sale will easily get us to the note's maturity on March 25, 2014. It is likely that the recommended approach for the refinancing of the 2013 C notes will be to issue another bond anticipation note. A post sale summary prepared by our financial advisor, Acacia is in your packet.

SB 88 authorizing the issuance of \$35 million of certificates of participation to fund a residential housing facility and pedestrian bridge was approved. The project will be managed by the Alaska Native Tribal Health Consortium (ANTHC) and the State Bond Committee will be issuing the certificates of participation. We are waiting for ANTHC to let us know that funding is required. A copy of SB 88 is included in your packet.

HB 23 authorizing the Alaska Industrial Development and Export Authority to issue up to \$150 million of State of Alaska moral obligation bonds, among other things, in support of a natural gas liquefaction plant on the North Slope was approved.

Sport Fishing Revenue bonds. Fitch, Standard and Poor's, and Moody's have requested information over the course of the last four months related to the outstanding Sport Fishing Revenue bonds. Fitch affirmed their rating of A+ on the bonds, while S&P and Moody's have taken no action. Information on Sport Fish license sales show significant decreases in licenses sold through June 2013 when compared to 2012, but an increase in license sales in July and August.

Governor Parnell along with other state representatives visited with rating analysts in May. The purpose of the visit was to provide an update on the State financials and perspective on the tax revision SB 21 provides.

Standard and Poor's has recently been compiling local government metrics and Moody's has been inquiring about the State's liquidity.

VIII. Committee Member Comments

There were none.

IX. Schedule Next Meeting

Mr. Mitchell indicated that the next meeting date will need to be in the next four months, but will be at the call of the Chair.

X. Adjournment

The meeting was adjourned at 3:02 p.m..

Susan Bell, Commissioner
Department of Commerce and Economic Development
Chairman

ATTEST:

Angela Rodell, Commissioner
Department of Revenue
Secretary

STATE BOND COMMITTEE

RESOLUTION NO. 2014-01

**A Resolution of the State Bond Committee
of the State of Alaska Allocating the
Private Activity Bond Volume Limit And Allocating the Qualified
Public Education Facilities Private Activity Bond Limit of the State of
Alaska For Calendar Year 2013**

WHEREAS, Alaska Statute 37.15.800 directs the State Bond Committee (the "Committee") to allocate the private activity bond volume limit for Alaska (the "volume cap") as authorized under 26 U.S.C. 146(e); and

WHEREAS, the volume cap for calendar year 2013 is \$296,825,000; and

WHEREAS, there have been no municipal or other requests for 2013 volume cap and there are no other requests for volume cap at this time.

WHEREAS, the Alaska Housing Finance Corporation (AHFC) has been the largest requestor and user of volume cap in prior years and is willing to receive unused balances of volume cap for 2013 for carry forward;

WHEREAS, in addition to the Volume Cap, 26 U.S.C. Section 142(a)(13) permits tax-exempt bonds to be issued to finance certain public educational facilities ("Qualified Public Educational Facilities Bonds"); and

WHEREAS, 26 U.S.C. Section 142(k) provides an annual limit for the issuance of Qualified Public Educational Facilities Bonds equal to the greater of (1) \$10 multiplied by the State population or (2) \$5,000,000; and

WHEREAS, Notice 2002-56 of the Internal Revenue Service specifies that the most recent census estimate of the resident population of a state released by the Bureau of the Census before the beginning of a calendar year is to be used to determine the Qualified Public Educational Facilities Bond limit for that calendar year; and

WHEREAS, the 2010 estimate of the resident population of Alaska released by the Bureau of the Census is \$710,231, and, therefore, the Qualified Public Educational Facilities Bond limit for Alaska for 2013 is \$7,102,310;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE:

Section 1. The Committee hereby allocates the entire 2013 private activity bond volume limit for Alaska of \$296,825,000 to AHFC.

State Bond Committee
Resolution 14-01

Page 2 of 2

Section 2. The Committee hereby allocates the entire Qualified Public Educational Facilities Bond limit for Alaska for 2013 of \$7,102,310 to AIDEA.

Section 3. This Resolution is effective immediately.

DATED AND ADOPTED this 6th day of January, 2013.

Susan Bell, Commissioner
of the Department of Commerce, Community and
Economic Development, Chair

Angela Rodell, Commissioner of the
Department of Revenue, Secretary

Curtis Thayer, Acting Commissioner of the
Department of Administration, Member

APPROVED AS TO FORM:

Attorney General of the
State of Alaska

RESOLUTION NO. 2014-02

A Resolution of the State Bond Committee of the State of Alaska
approving certain expenditures for reimbursement from the
proceeds of debt to be issued in the future.

Section 1. The Alaska Native Tribal Health Consortium (“ANTHC”) reasonably expects to reimburse the expenditures described herein with the proceeds of debt to be incurred by the State of Alaska (the “State”) (the “Reimbursement Obligations”).

Section 2. The expenditures with respect to which ANTHC reasonably expects to be reimbursed from the proceeds of Reimbursement Obligations are for construction and equipping of a residential housing facility and an elevated pedestrian bridge to the hospital to serve the Anchorage campus of the Alaska Native Medical Center (the “Project”).

It is anticipated that a portion of the costs of the Project initially will be paid from ANTHC’s General Fund.

Section 3. The maximum principal amount of Reimbursement Obligations expected to be issued for the Project described in Section 2 is \$35,000,000 plus allocable costs of issuance.

Section 4. The adoption of this resolution shall not obligate the State to issue the Reimbursement Obligations. The issuance of the Reimbursement Obligations shall require separate and additional official approval by the State Bond Committee.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the
6th day of January, 2014.

STATE OF ALASKA
STATE BOND COMMITTEE

SUSAN K. BELL
Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

CURTIS THAYER
Acting Commissioner, Department of
Administration
Member
Alaska State Bond Committee

ANGELA RODELL
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of State of Alaska (the “State”), and keeper of the records of the State Bond Committee (the “Committee”), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2014-02 of the Committee (the “Resolution”), duly passed at a meeting thereof held on January 6, 2014.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of January, 2014.

Secretary



State of Alaska

Certificates of Participation, Series 2014

Financing Schedule (as of January 2, 2014)

January - 2014							February - 2014							March - 2014							April - 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29	27	28	29	30			
														30	31												

DATE	EVENT	RESPONSIBILITIES
Week of Jan. 13 th	▪ Underwriter Selection	AK
Week of Jan. 27 th	▪ Kick off conference call (TBD)	All
Week of Feb. 3 rd	▪ Initial draft of documents distributed	AK, BC, FA
Week of Feb. 10 th	▪ Review first draft of documents	WG
Week of Feb. 17 th	▪ First draft of POS	FA
	▪ Weekly group call on documents	AK, FA, UW
	▪ Review rating presentation	AK, FA, UW
	▪ Second draft of Bonds Resolution	BC
	▪ Updates on POS to Acacia	WG
	▪ Conference call/meeting on ratings	AK, FA, UW
Week of Feb. 24 th	▪ First draft of rating presentation	UW
	▪ Second draft of POS	AK, FA, UW
Week of Mar. 3 rd	▪ Weekly group call on POS and ratings report	WG
	▪ Review near final rating presentation	AK, FA, UW
Week of Mar. 10 th	▪ Send documents to rating agency	BC, FA, UW
	▪ Rating agency presentations	AK, FA, UW
	▪ First draft of investor presentation distributed	UW
	▪ Review first draft of investor presentation	AK, FA, UW
	▪ Second draft of investor presentation distributed	UW

AK – State of Alaska
UW – TBD

BC – K&L Gates
UC - TBD

FA – Acacia
WG – AK, BC, FA, UW, UC



State of Alaska

Certificates of Participation, Series 2014

Financing Schedule (as of January 2, 2014)

January - 2014							February - 2014							March - 2014							April - 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29	27	28	29	30			
														30	31												

DATE	EVENT	RESPONSIBILITIES
Week of Mar. 17 th	<ul style="list-style-type: none"> Investor presentation review (if needed) Call to finalize POS and investor presentation 	AK, FA, UW WG
Week of Mar. 24 th	<ul style="list-style-type: none"> Due diligence call Record investor presentation Receive ratings Post POS (3/26) Post investor presentation 	ALL AK, FA, UW AK, FA BC, FA, UW, UC UW
Week of Mar. 31 th	<ul style="list-style-type: none"> Investor outreach/marketing Investor conference calls 	UW AK, FA, UW
Week of Apr. 7 th	<ul style="list-style-type: none"> Pre-retail order period call Pre-pricing call Price Bonds (4/9) Written Award Review final draft of OS Final OS Posted 	WG WG WG AK, BC, UW, UC BC, FA, UW, UC BC, FA, UW, UC
Week of Apr. 21 st	<ul style="list-style-type: none"> Pre-closing Bond Closing (4/23) 	WG WG

AK – State of Alaska
UW – TBD

BC – K&L Gates
UC - TBD

FA – Acacia
WG – AK, BC, FA, UW, UC

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

GENERAL OBLIGATION BOND ANTICIPATION NOTES, SERIES 2014

RESOLUTION NO. 2014-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bond anticipation notes of the State in the aggregate principal amount of not to exceed \$225,000,000; approving the sale of such notes; and authorizing the Designated Representative to approve the interest rate, maturity date and final principal amount for the notes under the terms and conditions set forth herein.

ADOPTED ON JANUARY 6, 2014

PREPARED BY:

K&L GATES LLP
SEATTLE, WASHINGTON

STATE OF ALASKA
RESOLUTION NO. 2014-03
TABLE OF CONTENTS*

	<u>Page</u>
Recitals.....	1
Section 1. Definitions.....	2
Section 2. Authorization of Bonds.....	6
Section 3. Authorization of Notes.....	6
Section 4. Registration	6
Section 5. Redemption and Purchase of Notes	12
Section 6. Form of Notes	12
Section 7. Execution of Notes.....	14
Section 8. Note Account and Security for the Notes	15
Section 9. Defeasance	16
Section 10. Tax Covenants	17
Section 11. Sale of Notes	18
Section 12. Application of Note Proceeds	21
Section 13. Undertaking to Provide Ongoing Disclosure.....	22
Section 14. Severability	22
Section 15. Effective Date	23

* This Table of Contents and the cover page are not a part of the following resolution and are included only for the convenience of the reader.

RESOLUTION NO. 2014-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bond anticipation notes of the State in the aggregate principal amount of not to exceed \$225,000,000; approving the sale of such notes; and authorizing the Designated Representative to approve the interest rate, maturity date and final principal amount of the notes under the terms and conditions set forth herein.

WHEREAS, Sections 1, 3, 4 and 5 of Chapter 18, SLA 2012 (HB 286) (the “State Transportation Bond Act”) authorized the issuance of general obligation bonds of the State of Alaska (the “State”) in the principal amount of \$453,499,200 for the purpose of paying the costs of design and construction of state transportation projects (as more fully set forth in the State Transportation Bond Act), pursuant to said act the question whether such bonds should be issued was submitted to the qualified voters of the State at the general election held on November 6, 2012, and said authorization was ratified by a majority of the qualified voters of the State who voted on the question; and

WHEREAS, AS 37.15.300 authorizes the State to issue notes in anticipation of the issuance of bonds; and

WHEREAS, the State issued \$149,645,000 of bond anticipation notes under date of March 27, 2013 maturing on March 25, 2014 (the “2013C Notes”); and

WHEREAS, it is deemed necessary and advisable that the State now issue and sell general obligation bond anticipation notes of such bonds so authorized in the principal amount of not to exceed \$225,000,000 for the purpose of refinancing a portion of the 2013C Notes and paying additional portions of the projects authorized by the State Transportation Bond Act; and

WHEREAS, the State Bond Committee (the “Committee”) wishes to delegate authority to the State Debt Manager or his designee (the “Designated Representative”), for a limited time,

to approve the interest rate, maturity date, and final principal amount under such terms and conditions as are approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA, as follows:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

Approved Bid means the winning bid submitted for the Notes.

Beneficial Owner means the beneficial owner of all or a portion of a Note while such Note is in fully immobilized form.

Bonds means the State of Alaska General Obligation Bonds to be issued to pay and redeem the Notes or any refunding note or notes.

Bond Year means each one-year period that ends on the date selected by the State. The first and last Bond Years may be short periods. If no day is selected by the Designated Representative before the earlier of the final maturity date of the Notes or the date that is five years after the date of issuance of the Notes, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Notes.

Code means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

Commission means the United States Securities and Exchange Commission.

Competitive Sale means the process by which the Notes are sold through the public solicitation of bids from underwriting firms.

Debt Manager means the State Debt Manager.

Designated Representative means the Debt Manager or his designee.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Notes pursuant to Section 4 hereof.

Letter of Representation means a blanket issuer letter of representations from the State to DTC.

MSRB means the Municipal Securities Rulemaking Board or any successor to its functions.

Net Proceeds, when used with reference to the Notes, means the principal amount of the Notes, plus accrued interest and original issue premium, if any, and less original issue discount.

Note Account means the General Obligation Bond Anticipation Note Account, 2014, established pursuant to Section 8.

Note Register means the registration books maintained by the Note Registrar setting forth the names and addresses of owners of the Notes.

Note Registrar means the financial institution selected by the Designated Representative pursuant to Section 4 of this resolution and acting as authenticating agent, paying agent and registrar with the duties and powers herein provided, including its successors, and any other corporation or association which may at any time be substituted in its place, as provided in Section 4.

Notes means the State of Alaska General Obligation Bond Anticipation Notes, Series 2014, to be issued in the principal amount of not to exceed \$225,000,000 pursuant to this resolution.

Official Notice of Sale means the notice of note sale authorized to be given in Section 11 of this resolution.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

Registered Owner means the person named as the registered owner of a Note in the Note Register. For so long as the Notes are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Rule means the Commission's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

State means the State of Alaska.

State Bond Committee means the duly constituted State Bond Committee established pursuant to AS 37.15.110.

State Transportation Bond Act means Chapter 18, SLA 2012 (HB 286).

2012 State Transportation Project Fund means the fund of that name authorized to be established by Section 2 of the State Transportation Bond Act.

2013C Notes mean the State of Alaska General Obligation Bond Anticipation Notes, Series 2013C issued under date of March 27, 2013 and presently outstanding in the principal amount of \$149,645,000.

Underwriter means the initial purchaser or representative of the purchasers (if more than one firm acts collectively with one or more additional underwriting firms) of the Notes.

Interpretation of Terms. In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds. For the purpose of providing funds necessary to repay the Notes or bond anticipation notes authorized to refund the Notes, the State shall issue its general obligation bonds (the “Bonds”), pursuant to the State Transportation Bond Act in such amount and form and with such terms, as shall be determined by resolution of the State Bond Committee. The proceeds of the Bonds shall be paid into the Note Account and applied, together with other available funds, in amounts sufficient to repay the Notes.

Section 3. Authorization of Notes. The State shall now issue and sell not to exceed \$225,000,000 of general obligation bond anticipation notes authorized by the qualified electors of the State at a special election held on November 6, 2012 for the purposes provided in Sections 1, 3, 4 and 5 of the State Transportation Bond Act (the “Notes”). The Notes shall be dated as of their date of delivery, shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof, shall be numbered separately in such manner and with any additional designation as the Note Registrar deems necessary for purposes of identification and control, and shall bear interest payable at maturity at the rate set forth in the Approved Bid; and shall mature on the date and in the principal amount set forth in the Approved Bid and as approved by the Designated Representative pursuant to Section 11.

Section 4. Registration.

(a) *Note Registrar/Note Register.* The State Bond Committee hereby authorizes the Designated Representative to solicit proposals for and select a financial institution to act as the registrar for the Notes (the “Note Registrar”), for the safeguarding and disbursement of the money for the payment of debt service on the Notes, and for the duties with respect to the

authentication, delivery and registration of the Notes herein set forth. The Note Registrar shall also act as registrar on the Bonds. The Notes shall be issued only in registered form as to both principal and interest. The Note Registrar may resign at any time upon 30 days' prior written notice to the State Bond Committee and may be removed at any time at the option of the State Bond Committee upon prior notice to the Note Registrar and a successor Note Registrar appointed. No resignation or removal of the Note Registrar shall be effective until a successor shall have been appointed and until the successor Note Registrar shall have accepted the duties of the Note Registrar hereunder. If a successor Note Registrar has not been appointed within 30 days of the giving of such notice of resignation or removal, the retiring Note Registrar may petition a court of competent jurisdiction for the appointment of a successor.

The Note Registrar shall keep, or cause to be kept, at its corporate trust office, sufficient books for the registration and transfer of the Notes which shall at all times be open to inspection by the State (the "Note Register"). The Note Registrar is authorized, on behalf of the State, to authenticate and deliver Notes transferred or exchanged in accordance with the provisions of such Notes and this resolution and to carry out all of the Note Registrar's powers and duties under this resolution. The Note Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Notes.

(b) *Registered Ownership.* The State and the Note Registrar, each in its discretion, may deem and treat the Registered Owner of each Note as the absolute owner thereof for all purposes (except as provided in Section 13 of this resolution), and neither the State nor the Note Registrar shall be affected by any notice to the contrary. Payment of any such Note shall be made only as described in Section 4(h) hereof, but such Note may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy

and discharge the liability of the State upon such Note to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* To induce DTC to accept the Notes as eligible for deposit at DTC, the State has executed and delivered to DTC a Letter of Representations.

Neither the State nor the Note Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Notes in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Notes, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the State to the Note Registrar or to DTC (or any successor depository)), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Notes are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Notes.

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

(d) *Use of Depository.*

(1) The Notes shall be registered initially in the name of “CEDE & Co.”, as nominee of DTC, in the form of a single immobilized Note in a denomination corresponding to the total principal therein designated to mature on the maturity date. Registered ownership of such immobilized Notes, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Representative pursuant to subsection (2) below or such substitute depository’s successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Note Registrar shall, upon receipt of all outstanding Notes, together with a written request on behalf of the Designated Representative, issue a single new Note, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Designated Representative determines that it is in the best interest of the beneficial

owners of the Notes that such owners be able to obtain such notes in the form of Note certificates, the ownership of such Notes may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The Designated Representative shall deliver a written request to the Note Registrar, together with a supply of definitive Notes, to issue Notes as herein provided in any authorized denomination. Upon receipt by the Note Registrar of all then outstanding Notes together with a written request on behalf of the Designated Representative to the Note Registrar, new Notes shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.*

The transfer of any Note may be registered and Notes may be exchanged, but no transfer of any such Note shall be valid unless such Note is surrendered to the Note Registrar with the assignment form appearing on such Note duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Note Registrar. Upon such surrender, the Note Registrar shall cancel the surrendered Note and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Note (or Notes at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Note, in exchange for such surrendered and cancelled Note. Any Note may be surrendered to the Note Registrar and exchanged, without charge, for an equal aggregate principal amount of Notes of the same date, maturity and interest rate, in any authorized denomination. The Note Registrar

shall not be obligated to register the transfer or to exchange any Note during the 15 days preceding the date any such Note is to be redeemed.

(f) *Note Registrar's Ownership of Notes.* The Note Registrar may become the Registered Owner of any Note with the same rights it would have if it were not the Note Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Notes.

(g) *Registration Covenant.* The State covenants that, until all Notes have been surrendered and cancelled, it will maintain a system for recording the ownership of each Note that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* Both principal of and interest on the Notes shall be payable in lawful money of the United States of America. Interest on the Notes shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as all Notes are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

In the event that the Notes are no longer in fully immobilized form, interest on the Notes shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Note Register on the 15th day of the month preceding the interest payment date, and principal of the Notes shall be payable upon presentation and surrender of such Notes by the Registered Owners at the designated office of the Note Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000

principal amount of Notes, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 5. Redemption and Purchase of Notes.

(a) *No Redemption.* The Notes shall not be subject to redemption prior to their stated maturity.

(b) *Purchase of Notes.* The State reserves the right to purchase any of the Notes offered to the State at any time at a price deemed reasonable by the Debt Manager.

Section 6. Form of Notes. The Notes shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF ALASKA

GENERAL OBLIGATION BOND ANTICIPATION NOTE, SERIES 2014

INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The STATE OF ALASKA (the "State"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 2014, or the most recent date to which interest has been paid or duly provided for until payment of this note at the Interest Rate set forth above, payable at maturity. Both principal of and interest on this note are payable in lawful money of the United States of America. For so long as the notes of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the State to DTC. The State Bond Committee has appointed _____ to act as registrar, paying agent and authenticating agent (the "Note Registrar").

This note is one of an authorized issue of notes of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$_____ (the "Notes"), and is issued pursuant to Resolution No. 2014-03 (the "Note Resolution") passed by the State Bond Committee on January 6, 2014 to provide funds for

certain state transportation projects approved by the qualified electors of the State at the general election held therein on November 6, 2012 and to refinance a portion of the State's Bond Anticipation Notes, 2013C. Capitalized terms used in this note and not otherwise defined shall have the meanings given them in the Note Resolution.

The notes of this issue are not subject to redemption prior to their scheduled maturity.

The notes of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and resolutions duly passed by the State Bond Committee, including the Note Resolution.

The notes of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The notes of this issue are not "qualified tax-exempt obligations" under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

The State has irrevocably covenanted that it will deposit in the General Obligation Bond Anticipation Note Account, 2014 of the State authorized to be maintained by the Note Resolution, money pledged, bond proceeds or refunding note proceeds, in amounts which, together with other moneys of the State legally available therefor, will be sufficient to pay the principal of and interest on this Note as the same shall become due. The notes of this issue are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal and interest on the notes of this issue.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Note Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Note Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist, to have happened, been done and performed precedent to and in the issuance of this note have happened, been done and performed and that the issuance of this note and the notes of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the State may incur.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed by the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the seal of the State to be impressed, imprinted or otherwise reproduced hereon, as of this ____ day of _____, 2014.

STATE OF ALASKA

By _____
Governor of the State of Alaska

ATTEST:

Lieutenant Governor of the
State of Alaska

The Note Registrar's Certificate of Authentication on the Notes shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This note is one of the notes described in the within-mentioned Note Resolution and is one of the State of Alaska, General Obligation Bond Anticipation Notes, Series 2014, of the State, dated _____, 2014.

_____, as Note
Registrar

By _____
Authorized Signer

Section 7. Execution of Notes. The Notes shall be executed on behalf of the State with the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the corporate seal of the State shall be impressed, imprinted or otherwise reproduced thereon.

Only such Notes as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Note Registrar, shall be valid or obligatory for

any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Notes so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who shall have executed the Notes shall cease to be officer or officers of the State before the Notes so signed shall have been authenticated or delivered by the Note Registrar, or issued by the State, such Notes may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the State as though those who signed the same had continued to be such officers of the State. Any Note may also be signed and attested on behalf of the State by such persons who are at the actual date of delivery of such Note the proper officers of the State although at the original date of such Note any such person shall not have been such officer of the State.

Section 8. Note Account and Security for the Notes.

(a) *Note Account.* A special account of the State to be known as the “State of Alaska General Obligation Bond Anticipation Note Account, 2014” (the “Note Account”) is hereby authorized to be created by the Debt Manager. The Note Account shall be a trust account and shall be drawn upon for the sole purpose of paying the principal of and interest on the Notes. Money on deposit in the Note Account not immediately needed to pay such interest or principal may temporarily be deposited in such institutions or invested in such obligations that are legal investments for State funds. Any interest or profit from the investment of such money shall be deposited in the Note Account. Any money remaining in the Note Account after payment in full of the principal of and interest on the Notes may be transferred to the general fund of the State, and the Note Account shall be closed.

The State covenants that on or before the maturity dates of the Notes it will issue the Bonds, refunding bond anticipation notes, or a combination of the foregoing in an amount sufficient to pay the Notes when due.

(b) *Pledge.* The Notes are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Notes.

Before January 1, 2015, this Committee shall certify to the Commissioner of Administration of the State the amount needed for to meet principal and interest requirements for the Notes. The Commissioner of Administration shall set aside these amounts or make the necessary provisions for the setting aside of these amounts so that there will be sufficient money to pay the principal and interest on the due dates.

The pledge of such money may be discharged prior to maturity of the Notes by making full provision for the payment thereof.

Section 9. Defeasance. In the event that money and/or government obligations, which are noncallable direct obligations of the United States or obligations unconditionally guaranteed by the United States, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Notes in accordance with their terms, as evidenced by a report of an independent accountant or verification agent (which report shall be required only if the defeasance is not a full cash defeasance (i.e., such report shall only be required if government obligations constitute all or part of the deposit from which payments to effect the defeasance will be made)), are set aside in a special account of the State to effect such redemption and retirement, and such moneys and the principal of and interest on such government obligations are irrevocably set aside and

pledged for such purpose, then no further payments need be made for the payment of the principal of and interest on the Notes so provided for, and such Notes shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and such Notes shall be deemed not to be outstanding hereunder.

The Note Registrar shall provide notice of defeasance of Notes to registered owners and to each party entitled to receive notice pursuant to Section 13.

Section 10. Tax Covenants.

(a) *Arbitrage Covenant.* The State hereby covenants that it will not make any use of the proceeds of sale of the Notes or any other funds of the State which may be deemed to be proceeds of such Notes pursuant to Section 148 of the Code which will cause the Notes to be “arbitrage bonds” within the meaning of said section. The State will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) throughout the term of the Notes.

(b) *Private Person Use Limitation for Notes.* The State covenants that for as long as the Notes are outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Notes to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Notes in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the State) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The State further covenants that, if:

(3) More than five percent of the Net Proceeds of the Notes are to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Notes in a Bond Year are (under the terms of this resolution or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the State) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the projects described in subsection (3) hereof or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the projects financed or refinanced with Note proceeds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Notes used for the state or local governmental use portion of the projects to which the Private Person Use of such portion of such projects relates. The State further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption or tax advantaged status of the interest on the Notes. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Notes.

Section 11. Sale of Notes. The Designated Representative is authorized to negotiate terms for the purchase of the Notes and approve an Approved Bid, with such terms as are approved by the Designated Representative pursuant to this section and consistent with this

resolution. The State Bond Committee has determined that it would be in the best interest of the State to delegate to the Designated Representative for a limited time the authority to determine the final interest rate, maturity date, and the final principal amount of the Notes. The Designated Representative is hereby authorized to approve the final interest rate, maturity date and final principal amount of the Notes in the manner provided hereafter so long as (i) the aggregate principal amount of the Notes does not exceed \$225,000,000; (ii) the maturity is not later than 12 months following the date of issuance and (iii) the net interest cost for the Notes does not exceed one percent (1.0%).

Subject to the terms and conditions set forth in this Section 11, the Designated Representative is hereby authorized to approve the Approved Bid upon the Designated Representative's approval of the final interest rate, maturity date and final principal amount, set forth therein. Following the approval of an Approved Bid, the Designated Representative shall provide a report to the State Bond Committee, describing the final terms of the Notes approved pursuant to the authority delegated in this section. The authority granted to the Designated Representative by this Section 11 shall expire 120 days after the date of approval of this resolution. If an Approved Bid has not been accepted within 120 days after the date of final approval of this resolution, the authorization for the issuance the Notes shall be rescinded, and the Notes shall not be issued nor their sale approved unless the Notes shall have been re-authorized by resolution of the State Bond Committee. The resolution re-authorizing the issuance and sale of such Notes may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Notes not issued) or may be in the form of an amendatory resolution approving an approved bid or establishing terms and conditions for the authority delegated under this Section 11.

The Notes shall be sold by competitive sale. Bids will be received by the Designated Representative or the competitive sale will be undertaken by electronic means, in the manner and on such date and time as the Designated Representative hereafter shall determine. The Designated Representative will approve the bid offering to purchase the Notes at the lowest net interest cost to the State at such price as shall be determined at the time of sale by the Designated Representative, plus accrued interest to the date of delivery, on all the terms and conditions set out in the applicable Official Notice of Sale.

All bids submitted for the purchase of the Notes shall be as set forth in the Official Notice of Sale or otherwise as established by the Designated Representative which will be furnished upon request made to the Designated Representative. Such bids shall be accompanied by surety bond or a cashier's or certified check, as a good faith deposit, made payable to the order of the State, in an amount, if any, determined by the State's financial advisor. The good faith deposit of the successful bidder shall be security for the performance of its bid and shall be held as liquidated damages in case the successful bidder fails to take up and pay for the Notes within 45 days if tendered for delivery. All bids submitted shall be opened (but not read publicly) by the State. The State reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

Upon the adoption of this resolution, the proper officials of the State including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt sale, execution and delivery of the Notes and further to execute all closing certificates and documents required to effect the closing and delivery of the Notes in accordance with the terms of the Official Notice of Sale.

The Designated Representative is authorized to ratify and to approve for purposes of the Rule, on behalf of the State, the official statement relating to the issuance and sale of the Notes and the distribution of such official statement pursuant thereto with such changes, if any, as may be deemed by him to be appropriate. The Designated Representative is hereby authorized to deem final one or more preliminary official statements relating to the Notes for the purposes of the Rule.

Section 12. Application of Note Proceeds. The money derived from the sale of the Notes shall be allocated and expended as described in the following provisions.

(a) A portion of the Note proceeds shall be used for the payment of the allocable costs of issuance of the Notes.

(b) A portion of the Note proceeds in the amount designated by the Designated Representative shall be deposited in the State of Alaska General Obligation Bond Anticipation Note Account, 2013 and be used to pay and redeem the 2013C Notes.

(c) The remaining proceeds derived from the Notes shall be allocated among the authorizations contained in Sections 3, 4 and 5 of the State Transportation Bond Act. The amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements to be financed by the Bonds shall be reimbursed to the fund from Note proceeds. Proceeds allocable to the State Transportation Bond Act shall be deposited in the 2012 State Transportation Project Fund. Proceeds of the Notes may be invested by the Debt Manager at the direction of the State in any legal investment for funds of the State, and the interest earnings shall be credited to the 2012 State Transportation Project Fund. Any unexpended and unobligated balances allocated for the projects described in Sections

3, 4 and 5 of the State Transportation Bond Act lapse under AS 37.25.020 and are appropriated by Section 6 of the State Transportation Bond Act to pay and redeem Notes.

Section 13. Undertaking to Provide Ongoing Disclosure. The State Bond Committee hereby authorizes the Designated Representative to enter into an agreement for ongoing disclosure, substantially in the form attached to the Preliminary Official Statement for the Notes for the benefit of the Beneficial Owners of the Notes in order to assist the Underwriter in complying with Section (b)(5) of the Rule.

Section 14. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the State shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Notes.

Section 15. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the 6th day of January, 2014.

STATE OF ALASKA
STATE BOND COMMITTEE

SUSAN K. BELL
Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

CURTIS THAYER
Acting Commissioner, Department of
Administration
Member
Alaska State Bond Committee

ANGELA RODELL
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of State of Alaska (the “State”), and keeper of the records of the State Bond Committee (the “Committee”), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2014-03 of the Committee (the “Resolution”), duly passed at a meeting thereof held on January 6, 2014.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of January, 2014.

Secretary



State of Alaska
General Obligation Bond Anticipation Notes, 2014 Series
Financing Schedule (as of January 2, 2014)

January - 2014							February - 2014							March - 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29
														30	31					

Date	Event	Responsibility
Week of Dec. 30 th	- Circulate first draft of the Resolution (1/2)	BC
Week of Jan. 6 th	- State Bond Committee Meeting (1/6)	WG
Week of Jan. 27 th	- Kick off conference call (date – time TBD)	WG
Week of Feb. 3 rd	- Circulate first draft of the NOS and POS (2/4)	FA
Week of Feb. 10 th	- Conference Call to Review first draft of documents (2/11)	WG
	- Circulate second draft of the NOS (2/11)	FA
	- Circulate second draft of the Resolution (2/11)	BC
	- Circulate second draft of the POS	FA
Week of Feb. 17 th	- Conference Call to Review second draft of documents (2/18)	WG
	- Circulate third draft of NOS and POS (2/20)	FA
	- Send documents to rating agency (2/21)	BC, FA
Week of Feb. 24 th	- Call to finalize POS/NOS	AK, FA
	- Receive ratings (2/28)	AK, FA
Week of Mar. 3 rd	- Post POS/NOS (3/3)	AK, FA
Week of Mar. 10 th	- Competitive Sale / Award (3/12)	WG
	- Circulate draft of final OS (3/13)	BC, FA
Week of Mar. 17 th	- Pre-closing (3/21)	WG
Week of Mar. 24 th	- Bond Closing (3/24)	WG
	- Pay off 2013 BANs (3/25)	AK

BANs maturity date set to be March 21 , 2015

AK – State of Alaska
 WG – AK, BC, FA

BC – K&L Gates

FA – Acacia



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Transportation and Public Facilities

Statewide Administrative Services
Director's Office

3132 Channel Drive
P.O. Box 112500
Juneau, Alaska 99811-2500
Main: 907.465.3911
Fax: 907.465.3124

Devin Mitchell, Executive Director
Alaska Municipal Bond Bank Authority
P.O. Box 110405
Juneau, AK 99801

Mr. Mitchell:

Please accept this letter as notice that the Department of Transportation and Public Facilities (DOT&PF) has expended \$121,650,000 in General Obligation Bonds appropriated under Chapter 30, SLA 2008 and will make no further claims against the fund.

We are in the process of converting the remaining \$150,050,000 of unsold 2009A General Obligation Bonds to unrestricted general fund receipts. We request the State Bond Committee certify to the Office of Management and Budget that the entire amount of \$121,650,000 of 2009A General Obligation Bond proceeds appropriated to the Department of Transportation and Public Facilities for state transportation projects has been expended as required under Chapter 5, SLA 2011, Section 57 (b).

Thank you in advance for your consideration of our request.

Sincerely,

A handwritten signature in blue ink, reading "Mary P. Siroky".

Mary P. Siroky
Administrative Services Director
Department of Transportation and Public Facilities

MEMORANDUM

STATE OF ALASKA
Department of Revenue

TO: State Bond Committee

DATE: September 11, 2013

FROM: Deven Mitchell
Debt Manager
Treasury Division

TELEPHONE: 465-3750

SUBJECT: Report

On October 22, 2013 the Revenue Bond Anticipation Notes were issued for the Clean Water and Drinking Water Funds. The \$2,975,979.52 of Notes were repaid on October 23 as planned. The transaction provided for additional Federal match being deposited into the Funds as planned. The transaction Memorandum of Understanding is attached.

The FY 2015 State debt service requirement has been incorporated into the Governor's FY 2015 budget that was released in December. There were no issues with this process.

Ongoing Disclosure – the State of Alaska's FY 2013 CAFR and the Fall 2013 Revenue Forecast have been posted on EMMA in compliance with the State's ongoing disclosure responsibility.

On December 31, 2013 I directed US Bank to provide notice and optionally redeem \$1,490,000 of the 2006 State of Alaska Sport Fishing Revenue Bonds. This optional redemption was the result of excess surcharge collection over the course of the last year. Following this optional redemption approximately \$900,000 of the final maturity of the bonds will remain outstanding. A copy of the direction letter is in your packet.