

Submitted by: ATU Committee, Assembly Members  
Wohlforth, Von Gemmingen, Meyer  
Prepared by: Department of Law  
For reading: February 24, 1998

ANCHORAGE, ALASKA  
AO NO. 98-45 (S)

**AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE PROVIDING FOR  
CONDITIONS FOR THE SALE OF ANCHORAGE TELEPHONE UTILITY AND USE OF  
THE SALE PROCEEDS**

**THE ANCHORAGE ASSEMBLY ORDAINS**

**Section 1:** That AO No. 98-44 (S) provides for the submission to the qualified voters of: Anchorage, Alaska, the question of whether Anchorage Telephone Utility should be sold for an amount equal to or exceeding fair market value. Upon approval of the ballot proposition, the sale of ATU shall be conditioned upon:

- A. The buyer recognizing any labor organization which is currently certified as the lawful bargaining agent for and representative of ATU's employees.
- B. The buyer honoring ATU's interconnection agreements.

**Section 2:** That pursuant to the Anchorage Municipal Charter Section 13.11, proceeds from the sale of the telephone utility shall be used to:

- 1) Retire the outstanding debt of Anchorage Telephone Utility;
- 2) Retire other municipal debt deemed appropriate by the Assembly; and
- 3) Establish a Trust Fund with the balance of the proceeds.

Therefore, the ATU proceeds shall be used to retire ATU's outstanding debt and establish the Trust Fund, the income from which shall be used to replace the annual dividends currently received from ATU, reinvest in the trust fund, and reduce property taxes.

**Section 3:** That the Municipal Assembly and the Administration shall abide by the terms of this ordinance through the consummation of any sale of ATU pursuant to AO No. 98-44 (S), and that

any change of the use of proceeds from the ATU sale may be accomplished only with the approval of a majority of the qualified voters voting on the question.

PASSED AND APPROVED by the Anchorage Assembly this            day of  
\_\_\_\_\_, 1998.

\_\_\_\_\_  
Chair of the Assembly

ATTEST:

\_\_\_\_\_  
Municipal Clerk