

Requested by: Chair of the Assembly at the
Request of the Anchorage
School District
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L Gates LLP
For Reading: December 16, 2025

**MUNICIPALITY OF ANCHORAGE, ALASKA
ORDINANCE No. 2025-136**

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2025-136

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SEVENTY-NINE MILLION FOUR HUNDRED SIXTY FOUR THOUSAND DOLLARS (\$79,460,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CAPITAL IMPROVEMENTS FOR THE ANCHORAGE SCHOOL DISTRICT AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2026.

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2025-136**

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^{*} This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this ordinance.

Municipal Clerk's Office

Approved

Date: **January 13, 2026**

Requested by: Chair of the Assembly at the
Request of the Anchorage
School District

Prepared by: Cynthia M. Weed, Bond
Counsel
K&L Gates LLP

For Reading: December 16, 2025

**MUNICIPALITY OF ANCHORAGE, ALASKA
ORDINANCE No. 2025-136**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SEVENTY-NINE MILLION FOUR HUNDRED SIXTY THOUSAND DOLLARS (\$79,460,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CAPITAL IMPROVEMENTS FOR THE ANCHORAGE SCHOOL DISTRICT AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2026.

WHEREAS, the existing educational facilities serving the Municipality of Anchorage, Alaska (the "Municipality") are in need of building systems renewal, and construction, replacements, planning, design, renovations, upgrades and construction projects; and

WHEREAS, the Assembly of the Municipality and School Board have identified necessary construction, renovations, replacements, upgrades, planning, design and improvements to school facilities; and

WHEREAS, in order to provide funds to perform the necessary construction, renovations, replacements, upgrades, planning, design and improvements as further described in Section 1 of this ordinance (the "Projects"), it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed \$79,460,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly hereby determines that the education facilities and building systems are in need of construction, replacement, planning, design, renovation and upgrades (the "Projects"). Specifically, the Projects include construction of Phase 1 building upgrades at Romig Middle School, building improvements at Lake Otis Elementary School, structural upgrades at Klatt Elementary School, renovation and construction of a new secure vestibule, roof and remediate truss structural issues at Tudor Elementary School, upgrade the Student Nutrition building and systems, demolish and dispose of hazardous materials at Ursa Major Elementary School, upgrade and replace electrical service and standby generator system at Bettye Davis Anchorage High School, installation of access control for 15 schools and planning and design for 2027-2028 projects.

1 The Projects are described in more detail in the Assembly Memorandum
2 accompanying this ordinance. The cost of all necessary planning, acquisition of
3 property for, site preparation, construction, installing and equipping of the Projects,
4 architectural, engineering, design, and other consulting services, inspection and
5 testing, administrative and relocation expenses, costs of issuance of the Bonds
6 (hereinafter defined) and other costs incurred in connection with the Projects shall
7 be deemed to be costs of the approved Projects. The approved Projects may be
8 completed with all necessary equipment and appurtenances.

9
10 The School District shall determine the application of available money as
11 between the various Projects set forth above so as to accomplish, as nearly as may
12 be, all of the Projects described or provided for in this section.

13
14 If the School District shall determine that it has become impractical to
15 accomplish any portion of the approved Projects by reason of changed conditions
16 or needs, incompatible development or costs substantially in excess of those
17 estimated, the School District shall not be required to accomplish such portions and
18 shall apply Bond proceeds as set forth in this section.

19
20 If the approved Projects have been completed in whole or in part, or their
21 completion duly provided for, or their completion found to be impractical, the School
22 District may apply Bond proceeds or any portion thereof to other School District
23 capital improvements as the School Board in its discretion shall determine and, if
24 otherwise, then solely to payment of principal or interest on the Bonds, as provided
25 in the Home Rule Charter. In the event that the proceeds of sale of the Bonds, plus
26 any other money of the School District legally available, are insufficient to
27 accomplish the approved Projects, the School District shall use the available funds
28 for paying the cost of those portions of the approved Projects for which the Bonds
29 were approved deemed by the School Board most necessary and in the best interest
30 of the School Board. No Bond proceeds shall be used by the Municipality for any
31 purpose other than a capital improvement of the Municipality.

32
33 For the purpose of providing funds for the undertaking of the Projects, which
34 are hereby found to be a public purpose and in the public interest, the Municipality
35 hereby proposes to issue general obligation bonded indebtedness in an amount not
36 to exceed Seventy-Nine Million Four Hundred Sixty Thousand Dollars
37 (\$79,460,000) (the "Bonds").

38
39 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at
40 such time or times as deemed necessary and advisable by the Assembly and as
41 permitted by law and shall mature over a period of not to exceed 20 years from date
42 of issue. The Bonds shall be issued in an aggregate principal amount of not to
43 exceed \$79,460,000. The Bonds shall bear interest to be fixed at the time of sale
44 or sales thereof. The exact form, terms, conditions, contents, security, options of
45 redemption, and such other matters relating to the issuance and sale of said Bonds

as are deemed necessary and advisable by the Assembly shall be as hereinafter determined and/or delegated by ordinance and/or resolution of the Assembly.

The full faith and credit of the Municipality is pledged for the payment of the principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in the Municipality shall be levied without limitation as to rate or amount to pay the principal and interest on the Bonds when due.

Section 3. Ballot Proposition. The Assembly hereby submits to the qualified voters of the Municipality the proposition of whether or not the Municipality should issue the Bonds for the purpose of financing the costs of the approved Projects at the regular municipal election to be held on April 7, 2026.

The Clerk shall prepare the ballot proposition to be submitted to the voters as provided by this ordinance and the Municipal Code and shall perform all necessary steps in accordance with law to place this proposition before the voters at the regular election. The proposition must receive a majority vote of those in the Municipality voting on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. ____

**CAPITAL IMPROVEMENTS FOR THE ANCHORAGE
SCHOOL DISTRICT BONDS**

For the purpose of providing educational capital improvements, construction, upgrades, planning, design, and renovation of school facilities and educational facility building life extension projects within Anchorage, as provided in AO 2025-136, shall Anchorage borrow money and issue up to \$79,460,000 in principal amount of general obligation bonds? The projects are anticipated to qualify for 50% State bond debt reimbursement on \$74,060,000 of the issuance and 40% State bond debt reimbursement on \$5,400,000 of the issuance (subject to annual Legislative appropriation as described below).

The general obligation bond proceeds will be used to pay costs of constructing, renovating, planning, designing, upgrading and equipping educational capital improvement projects including, but not limited to, construction of Phase 1 building upgrades at Romig Middle School, building improvements at Lake Otis Elementary School, structural upgrades at Klatt Elementary School, renovation and construction of a new secure vestibule, roof and remediating truss structural issues at Tudor Elementary School, upgrading the Student Nutrition building and systems, demolishing and disposing of hazardous

materials at Ursa Major Elementary School, upgrading and replacing electrical service and standby generator system at Bettye Davis Anchorage High School, installation of access control for 15 schools and planning and design for 2027-2028 projects. The projects are anticipated to qualify for 50% State bond debt reimbursement on \$74,060,000 of the issuance and 40% State bond debt reimbursement on \$5,400,000 of the issuance. If the State chooses to make full reimbursement on the eligible \$79,460,000, the annual increase in taxes would be \$7.82 to retire the proposed bonds (based on \$100,000 of 2026 assessed valuation). State reimbursement is subject to annual legislative appropriation and is susceptible to governor's vetoes or legislative action.

Without State reimbursement for debt service, voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2026 assessed valuation) an annual increase in taxes of approximately \$15.43 to retire the proposed bonds.

The debt will be paid from real and personal property taxes levied and collected areawide in Anchorage. Anchorage will also pledge its full faith and credit for payment of the bonds.

☐ YES ☐ NO

Section 4. Effective Dates. Section 2 of this ordinance shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the regular election held on April 7, 2026. The remaining sections of this ordinance shall become effective upon passage and approval by the Assembly.

PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 13th day of January, 2026.

Christopher Constant

ATTEST:

Chair

Janie King

Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 853-2025

Meeting Date: December 16, 2025

1 From: ANCHORAGE SCHOOL DISTRICT

2
3 Subject: AO 2025-136 One Ballot Proposition to Provide
4 For the Issuance of General
5 Obligation Bonds for Educational
6 Capital Improvements
7

8 The ordinance will place a general obligation bond proposition for the Anchorage School
9 District on the ballot for the regular Municipal election to be held on April 7, 2026.

10
11 The Anchorage School Board approved one ballot proposition to provide for the issuance of
12 general obligation bonds for education-related capital projects on November 18, 2025: ASD
13 Memorandum #060 (2025-2026), Approval of April 2026 Bond Proposal. This
14 recommendation includes proposed Capital Improvement Projects in the amount of
15 \$79,460,000.

16
17 The School Board requests the Anchorage Assembly place one proposition, as stated on
18 AO 2025-136 on the April 7, 2026 ballot for consideration by qualified voters of the
19 Municipality of Anchorage. The proposition will pay the cost of capital improvement
20 projects for the Anchorage School District, including, but not limited to, the following:

21
22 Proposition: \$79,460,000 Estimated Annual
23 Estimated Operating and
24 Projects Cost Maintenance
25
26 Romig Middle School Building Upgrades Phase 1 \$ 27,350,000
27
28 Lake Otis Elementary School Building Upgrades \$19,585,000
29
30 Klatt Elementary School Structural Upgrades \$ 2,800,000
31
32 Tudor Elementary School Secure Vestibule & Renovation \$8,550,000
33
34 Ursa Major Elementary School Demolition & Hazardous
35 Materials Disposal \$5,400,000
36
37 Access Control Upgrades Phase 2 \$2,000,000
38
39 Student Nutrition Facility Upgrades Phase 1 \$8,500,000
40
41 Bettye Davis Anchorage High School Electrical Service
42 and Standby Generator Upgrades \$1,750,000
43

1	Planning & Design 2027/2028 Projects	\$3,525,000	
2			
3	Proposition Total	<u>\$79,460,000</u>	<u>\$0</u>
4			
5	This proposal provides for educational capital improvement replacement, building life		
6	extension, security improvements, and seismic resilience and safety projects. The		
7	approximate annual amount of taxes on \$100,000 of assessed real and personal property		
8	value (based on the estimated 2025 assessed valuation) to retire the proposed debt is \$15.43.		
9	Voters will not be asked to approve an increase in annual operating costs.		
10			
11	The projects are described in more detail per ASD Memorandum #060 (2025-2026),		
12	Attachment A.		
13			
14	<u>DOCUMENTATION OF NEED:</u>		
15	The District operates and maintains the largest physical plant of any public entity in the		
16	state, with approximately 7.8 million square feet of facilities. The replacement value of		
17	District buildings exceeds \$2 billion. The District is responsible for 89 facilities, housing		
18	approximately 41,750 students (more students than the total of the next three largest Alaska		
19	districts), and approximately 5,700 staff members. Anchorage educates nearly 33 percent of		
20	the State's total student population. Not only is the facility inventory large, but it is also		
21	aging. The average age of district facilities is 40 years. Approximately 42% of the facilities		
22	are more than 50 years old, including 19 facilities that are 60 years or older.		
23			
24	Facility systems have an expected life span and the extreme conditions of Alaska only		
25	shorten their life expectancy. Roofs (20-25 years) deteriorate and leak; boilers (25-30 years),		
26	plumbing and ventilation systems wear out; and other systems like fire alarms, security		
27	systems, intercoms, etc., (10-15 years) age to the point where they are no longer supported.		
28	Various code changes over the years and in some situations, legal compliance requires		
29	facilities to be updated. Moreover, roof replacements and other upgrades often require		
30	seismic structural upgrades to meet more stringent building codes.		
31			
32	Functional obsolescence is another challenge facing older schools. LED lighting is quickly		
33	replacing fluorescent lighting to capture energy savings. Over the life of a school,		
34	programmatic changes take place that require updating the facility. For example, there is		
35	continual need to update electrical distribution systems in schools to accommodate current		
36	technology. Additionally, current educational delivery methods require physical layouts		
37	that are often different and more flexible than those of 30 to 40 years ago.		
38			
39	<u>Capital Planning Management</u>		
40	Since 2009, the District has implemented a Facility Condition Assessment Program (FCAP)		
41	in order to identify and prioritize facility capital requirements more strategically based on		
42	quantitative data. The District has integrated the use of VFA software to assist in assessing		
43	facility conditions, maintain the facility condition database and analyze the information to		
44	determine and forecast capital planning needs.		
45			
46	The FCAP centralizes information on facilities' component and system conditions as well as		
47	remaining life expectancy. This information is collected during facility condition		
48	assessments utilizing a systematic and consistent methodology. The collected information		
49	serves as a basis for identifying, prioritizing and estimating costs of the District's capital		
50	needs and is used for both short term and long-term planning purposes.		

Facility Condition Assessments

The District contracts annually with VFA (a nationally recognized firm) to maintain the FCAP. From 2009 to 2013, all District-owned facilities were assessed by a team of engineers and architects. During the summers of 2024 and 2025, the District contracted with VFA to update FCAP data of approximately 5M sf of facilities. Internally, the District Maintenance and Capital Planning departments reviewed this data and provided validation to the assessment updates. The last remaining +2M sf of facilities is scheduled for re-assessment in summer 2026.

The facility condition assessment process is a field assessment where building system components are evaluated based on condition and age of the system. Results of the initial assessment identified aging system requirements, in addition to recommended replacement year and estimated cost. These data are maintained in the FCAP database and validated annually by District staff that provides quality control and incorporates institutional knowledge on the collected information.

Based on the facility condition assessment, a Facility Condition Index (FCI) is calculated to determine its relative condition and estimated investment cost versus like replacement cost. All District facilities have an individual FCI and a Districtwide FCI can also be determined to measure the condition of the physical plant. According to the national standard, an FCI less than .05 is considered Excellent, .05-.10 is considered Good and .10-1.0 ranges from Fair to Poor. With an estimated ~\$2 billion reported Current Replacement Value (CRV) and a ~\$1.369 B deferred requirements backlog, the District's current FCI is ~0.30.

According to the National Council of School Facilities "2021 State of Our Schools Report", best practice within the facility management industry is to re-invest 3% of the CRV annually for Minor Repair/Preventive Maintenance. This amount covers annual maintenance and operations, typically funded through the General Fund. Additionally, 4% of the CRV is recommended to include renewals, alterations and reduce deferred capital requirements, normally funded through Capital Funds. Capital funding includes 2% for key component renewals (roofs, boilers, etc...); 1% for alterations to meet programmatic changes and technological developments, and 1% for the systematic reduction of deferred requirements. For the District, this would equate to ~\$60M/year (3% of CRV) for Minor Repair/Preventive Maintenance, \$40M (2% of CRV) for key component renewals (roofs, boilers, etc...), \$20M (1% of CRV) for alterations to meet programmatic changes and technological developments, and \$20M (1% of CRV) for systematic reduction of deferred requirements.

Educational Adequacy Assessments

Educational program requirements are defined by districtwide educational specifications for elementary, middle, and high school levels, which were approved by the School Board on September 6, 2012. The Educational Adequacy Index (EAI) reflects the ability of a school to meet their educational program requirements by evaluating the quantity, configuration, size, and existence of spaces defined by educational specifications. For example, a school would have a higher EAI if they did not have enough classrooms to offer health classes, or a gymnasium in addition to a multi-purpose room in order to allow for concurrent lunches and physical activity.

1 To date, all district-owned school sites have been assessed for educational adequacy except
2 for the King Technical High School. In 2010-11, sixteen locations were assessed, nineteen
3 sites were assessed in 2011, 50 sites were assessed in 2012, and Aquarian Charter School was
4 assessed in 2015.

5
6 Much like the FCI, an EAI is the ratio of the cost to correct educational specification
7 deficiencies divided by the replacement cost of the facility. Unlike the FCI, an industry
8 standard does not exist for an EAI. However, a high EAI reflects greater challenges with
9 education program delivery compared to a school with a smaller EAI. Addressing EAI
10 deficiencies often requires extensive renovations.

11 12 **OVERALL DEBT SERVICE**

13 As of June 30, 2025, the District had \$409.24 million of outstanding bond debt,
14 down \$168 million from the same time 10 years ago. In the last two fiscal years, ASD has
15 paid off \$85.4 million of debt. During that time, the District received \$126.192 million in new
16 voter authorization to additional debt to fund capital improvements.

17
18 The District works closely with the municipal administrators and financial advisors to
19 engage the market to reduce the debt and interest rates regularly. Over the past five years,
20 the District refunded \$169.7 million in existing debt at an improved rate, reducing the
21 overall debt service by nearly \$18.2 million. In Fiscal year 2024 and 2025 the district did not
22 issue a refunding bond.

23
24 In the next five years, the District anticipates paying off approximately \$150.17 million in
25 principal, averaging about \$30.034 million each year.

26 27 **STATE DEBT REIMBURSEMENT**

28 Of the \$409.24 million bond debt outstanding as of June 30, 2025, the state debt
29 reimbursement program is expected to cover 19.22 percent. This, however, is subject to
30 appropriation and is susceptible to governor's vetoes or legislative action.

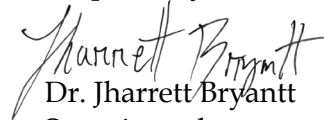
31
32 House Bill 106, approved into law in March 2020, enacted a sunset of Alaska statutes related
33 to the state debt reimbursement program effective January 1, 2015 through July 1, 2025. Per
34 AS 14.11.100, the legislature did not take further action on these statutes, and
35 reimbursement rates of 50% for projects for new construction that qualify for space and 40%
36 for projects that add space, including replacing space, but do not qualify for space are
37 reinstated. At this time, these projects are anticipated to be eligible for reimbursement. The
38 estimated debt reimbursement percentage for each project has been identified on the
39 attached project list. Upon School Board approval of this bond proposal, debt
40 reimbursement applications will be submitted to the State of Alaska Department of
41 Education and Early Development for project approval.

42 43 **COST OF \$79.46 MILLION BOND PROPOSAL TO THE LOCAL TAXPAYERS**

44 The approximate amount of annual taxes on \$100,000 of assessed property valuation to
45 retire the proposed debt of \$79.46 million is \$15.43. The calculation of estimated taxes is
46 based on an estimated 4.5 percent weighted interest rate for twenty years, as shown in
47 attachment B. **With the reinstatement of State Bond Debt Reimbursement, the amount of**
48 **annual taxes is approximately \$7.82, based on the assumption that the District will receive**
49 **50 percent State debt reimbursement on \$74.06 million of projects and 40 percent State**
50 **debt reimbursement on \$5.4 million.**

1
2 The amount of annual taxes on \$100,000 of assessed property valuation reduced due to bond
3 debt retirement over the proposed FY 2025-26 is \$31.845 million. The difference between
4 what is proposed and what will be retired accounts for an increase of \$2.75 per \$100,000 of
5 assessed valuation, if this proposition was sold at one time with no state bond
6 reimbursement. However, most bond authorizations are sold over a three-to-five-year
7 period. With State Bond Debt Reimbursement, the difference is a net decrease of \$1.22 per
8 \$100,000 of assessed valuation.
9
10 All of the debt reimbursement projects are being prepared for preliminary review and
11 approval by the Alaska Department of Education and Early Development (DEED), so the 50
12 and 40 percent reimbursement rates are tentative as of this date.
13
14 It is the District's hope that the information provided in this memorandum assists the
15 Assembly in making a decision regarding the placement of the District's recommended
16 bond proposition on the ballot for the April 7, 2026 Municipal Election.
17
18
19
20
21
22
23 Attachments

Respectfully submitted,


Dr. Jharrett Bryantt
Superintendent



Agenda Item Details

Meeting	Nov 18, 2025 - School Board Meeting
Category	E. Consent Agenda
Subject	7. ASD Memorandum #060 - Approval of April 2026 Bond Proposal
Access	Public
Type	Action (Consent)
Recommended Action	The Administration recommends that the School Board approves the 2026 Bond propositioned outlined in the memo below.

Public Content

ANCHORAGE SCHOOL DISTRICT ANCHORAGE, ALASKA

ASD MEMORANDUM #060 (2025-2026)

November 18, 2025

TO: SCHOOL BOARD

FROM: DR. JHARRETT BRYANTT, SUPERINTENDENT

SUBJECT: APPROVAL OF APRIL 2026 BOND PROPOSAL

ASD Core Value: *The District will be open, transparent & accountable to the public.*

RECOMMENDATION:

It is the Administration's recommendation that the Anchorage School Board approve the following bond proposal:

Proposition I – Access Control Upgrades Phase 2, Lake Otis Elementary School Building Improvements, Klatt Elementary School Structural Upgrades, Tudor Elementary School Secure Vestibule and Renovation, Ursa Major Elementary School Demolition and Hazmat Disposal, Romig Middle School Building Upgrades Phase 1, Bettye Davis Anchorage High School Electrical Service and Standby Generator Upgrades, Student Nutrition Facility Upgrades Phase 1, and planning and design for 2027-2028 projects in the amount of \$79.46 million.

The bond proposition is summarized below:

Romig Middle School Building Upgrades Phase 1	\$27,350,000
Lake Otis Elementary School Building Upgrades	\$19,585,000
Klatt Elementary School Structural Upgrades	\$2,800,000
Tudor Elementary School Secure Vestibule & Renovation	\$8,550,000
Ursa Major Elementary School Demolition & Hazardous Materials Disposal	\$5,400,000
Access Control Upgrades Phase 2	\$2,000,000
Student Nutrition Facility Upgrades Phase 1	\$8,500,000
Bettye Davis Anchorage High School Electrical Service and Standby Generator Upgrades	\$1,750,000
Planning & Design for 2027/28 Projects	\$3,525,000
Proposition I Total	\$79,460,000

Individual project descriptions are provided in Attachment A.

PERTINENT FACTS:

The Capital Planning & Construction (CP&C) staff prepared a prioritized list of unfunded, emergent requirements utilizing the District's Facility Condition Assessment Program. This consolidated list was prioritized into one, two and three-to-five-year requirements by CP&C and Maintenance & Operations staff.

Overall Debt Service

As of June 30, 2025, the District had \$409.24 million of outstanding bond debt, down \$168 million from the same time 10 years ago. In the last two fiscal years, ASD has paid off \$85.4 million of debt. During that time, the District received \$126.192 million in new voter authorization to additional debt to fund capital improvements.

The District works closely with the municipal administrators and financial advisors to engage the market to reduce the debt and interest rates regularly. Over the past five years, the District refunded \$169.7 million in existing debt at an improved rate, reducing the overall debt service by nearly \$18.2 million. In Fiscal year 2024 and 2025 the district did not issue a refunding bond.

In the next five years, the District anticipates paying off approximately \$150.17 million in principal, averaging about \$30.034 million each year.

State Debt Reimbursement

Of the \$409.24 million bond debt outstanding as of June 30, 2025, the state debt reimbursement program is expected to cover 19.22 percent. This, however, is subject to appropriation and is susceptible to governor's vetoes or legislative action.

House Bill 106, approved into law in March 2020, enacted a sunset of Alaska statutes related to the state debt reimbursement program effective January 1, 2015 through July 1, 2025. Per AS 14.11.100, the legislature did not take further action on these statutes, and reimbursement rates of 50% for projects for new construction that qualify for space and 40% for projects that add space, including replacing space, but do not qualify for space are reinstated. At this time, these projects are anticipated to be eligible for reimbursement. The estimated debt reimbursement percentage for each project has been identified on the attached project list. Upon School Board approval of this bond proposal, debt reimbursement applications will be submitted to the State of Alaska Department of Education and Early Development for project approval.

Cost of \$79.46 Million Bond Proposal to the Local Taxpayers

The approximate amount of annual taxes on \$100,000 of assessed property valuation to retire the proposed debt of \$79.46 million is \$15.43. The calculation of estimated taxes is based on an estimated 4.5 percent weighted interest rate for twenty years, as shown in attachment B. **With the reinstatement of State Bond Debt Reimbursement, the amount of annual taxes is approximately \$7.82, based on the assumption that the District will receive 50 percent State debt reimbursement on \$74.06 million of projects and 40 percent State debt reimbursement on \$5.4 million.**

The amount of annual taxes on \$100,000 of assessed property valuation reduced due to bond debt retirement over the proposed FY 2025-26 is \$31.845 million. The difference between what is proposed and what will be retired accounts for an increase of \$2.75 per \$100,000 of assessed valuation, if this proposition was sold at one time with no state bond reimbursement. However, most bond authorizations are sold over a three-to-five-year period. With State Bond Debt Reimbursement, the difference is a net decrease of \$1.22 per \$100,000 of assessed valuation.

All of the debt reimbursement projects are being prepared for preliminary review and approval by the Alaska Department of Education and Early Development (DEED), so the 50 and 40 percent reimbursement rates are tentative as of this date. Any amendments made to this recommendation will be submitted to DEED for their approval prior to submission to the Anchorage Municipal Assembly.

JB/AR/JA/TF/KP/EK/LAMJR/RML/mw

Attachments:

- A. April 2026 Proposed Bond Projects
- B. 2026 Bond Reimbursement Rate and Taxes

Prepared by: Rachel Molina Lodoen, Project Support Supervisor
Larry Morris, Planning & Design Supervisor
Edie Knapp, Construction Supervisor
Katie Parrott, Senior Director of Management & Budget
Thomas Fenoseff, Senior Director, Capital Planning & Construction

Approved by: Jim Anderson, Chief Operating Officer
Andy Ratliff, Chief Financial Officer

[M060A - AttachA_Project_Desc-r1.pdf \(421 KB\)](#)

[M060B - AttachB_Bond Rates and Taxes-AR.pdf \(64 KB\)](#)

Administrative Content

America Sullivan approved for Charles Flint.

Motion & Voting

To Approve the Consent Agenda, As Presented.

Motion by Margo Bellamy, second by Kelly Lessens.

Final Resolution: Motion Passes

Yea: Margo Bellamy, Dave Donley, Pat Higgins, Carl Jacobs, Kelly Lessens, Dora Wilson, Andy Holleman

Last Modified by America Sullivan on November 19, 2025

**Table 1: Capital Improvement Plan
2026 - 2031**

Year 1: 2026				
District Priority	Project Title & Description	Bond Amount	Estimated Debt Reimbursement Amount	Comments
1	Romig Middle School Building Upgrades Phase 1 - Construction phase of the design approved in the 2024 Bond and approved master plan.	\$ 27,350,000	\$ 13,675,000	
2	Lake Otis Elementary Building Improvements - Building improvements per the approved Project Analysis Report.	\$ 19,585,000	\$ 9,792,500	
3	Klatt Elementary School Structural Upgrades - Upgrade existing structural deficiencies with newer structural upgrades.	\$ 2,800,000	\$ 1,400,000	
4	Tudor Elementary School Secure Vestibule and Renovation - New secure vestibule, roof and remediate truss structural issues	\$ 8,550,000	\$ 4,275,000	
5	Access Control at 15 School Phase 2 - Installation of access control for 15 schools that has had Secure Vestibules installed prior to adoption of ASD standards for access control.	\$ 2,000,000	\$ 1,000,000	
6	Student Nutrition Facility Upgrades Phase 1 - Upgrade Student Nutrition building and systems to replace older systems and accommodate updated food preparation.	\$ 8,500,000	\$ 4,250,000	
7	Bettye Davis High School Electrical Service and Standby Upgrades - Upgrade older high voltage ASD owned electrical service. The project will replace the service to a Chugach Electric owned service and upgrade stand-by generator system.	\$ 1,750,000	\$ 875,000	
8	Ursa Major Elementary School Demolition & Hazardous Materials Disposal - Discovery of hazardous materials within building envelope resulted in additional demolition and disposal costs.	\$ 5,400,000	\$ 2,160,000	
9	Planning and Design for 2027/28 Projects	\$ 3,525,000	\$ 1,762,500	
	TOTAL	\$ 79,460,000	\$ 39,190,000	

ANCHORAGE SCHOOL DISTRICT
APRIL 2026 SCHOOL BOND PROPOSAL
CALCULATION OF ESTIMATED TAXES FOR DEBT SERVICE ON \$100,000 ASSESSED VALUATION

	<u>Term</u>	<u>Bond Proposition Amount</u>	<u>Est. State Debt Reimb. By Project</u>	<u>[1] Annual Debt Prin. & Int. 4.50%</u>	<u>[2] Per \$100,000 Assessed Val. \$ 39,564,689,895</u>	<u>State Debt Reimb. Per \$100,000</u>	<u>Property Taxes Per \$100,000</u>
Proposition I - Districtwide Building Life Extension Projects							
Romig Middle School Building Upgrades Phase 1	20	\$27,350,000	50%	\$ 2,102,563	\$ 5.31	\$ 2.66	\$ 2.66
Lake Otis Elementary School Building Upgrades	20	\$19,585,000	50%	\$ 1,505,619	\$ 3.81	\$ 1.91	\$ 1.91
Klatt Elementary School Structural Upgrades	20	\$2,800,000	50%	\$ 215,253	\$ 0.54	\$ 0.27	\$ 0.27
Tudor Elementary School Secure Vestibule & Renovation	20	\$8,550,000	50%	\$ 657,291	\$ 1.66	\$ 0.83	\$ 0.83
Ursa Major Elementary School Demolition & Hazmat Disposal	20	\$5,400,000	40%	\$ 415,131	\$ 1.05	\$ 0.42	\$ 0.63
Access Control Upgrades Phase 2	20	\$2,000,000	50%	\$ 153,752	\$ 0.39	\$ 0.20	\$ 0.20
Student Nutrition Facility Upgrades Phase 1	20	\$8,500,000	50%	\$ 653,447	\$ 1.65	\$ 0.83	\$ 0.83
Bettye Davis Anchorage High School Electrical Service and Standby Generator Upgrades	20	\$1,750,000	50%	\$ 134,533	\$ 0.34	\$ 0.17	\$ 0.17
Planning & Design for 2027/28 Projects	20	\$3,525,000	50%	\$ 270,988	\$ 0.68	\$ 0.34	\$ 0.34
Proposition 1 Total		\$ 79,460,000	49%	\$ 6,108,577	\$ 15.43	\$ 7.60	\$ 7.82

[1] Estimate of Bond Sale

[2] Estimate as of CY2025 Valuation