

1 **CLERK'S OFFICE**  
2 **AMENDED and APPROVED**  
3 **Date: 3-3-98**

Submitted by: ATU Committee, Assembly Members  
**Wohlforth, Von Gemmingen, Meyer**  
Prepared by: Department of Law  
For reading: March 3, 1998

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

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

15 **THE ANCHORAGE ASSEMBLY ORDAINS:**

17 **Section 1:** That AO No. 98-44(S-2) provides for the submission to the qualified voters of  
18 Anchorage, Alaska, the question of whether Anchorage Telephone Utility should be sold for an  
19 amount equal to or exceeding fair market value. Upon approval of the ballot proposition, the sale  
20 of ATU shall be conditioned upon:

- 22 A. The buyer recognizing any labor organization which is currently certified as the  
23 lawful bargaining agent for and representative of ATU's employees.  
24  
25 B. The buyer honoring ATU's interconnection agreements.

27 **Section 2:** That pursuant to the Anchorage Municipal Charter Section 13.11, proceeds from the sale  
28 of the Telephone Utility shall be used to:

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

34 Therefore, the ATU proceeds shall be used to retire ATU's outstanding debt and establish the Trust  
35 Fund, the income from which, after inflation-proofing, shall be used to (1) replace the annual  
36 dividends currently received from ATU, (2) reduce property taxes, and (3) reinvest in the Trust  
37 Fund.

39 **Section 3:** That the Municipal Assembly and the Administration shall abide by the terms of this  
40 ordinance through the consummation of any sale of ATU pursuant to AO No. 98-44(S-2), and that  
41 any change of the use of proceeds from the ATU sale may be accomplished only with the approval  
42 of a majority of the qualified voters voting on the question.

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5 PASSED AND APPROVED by the Anchorage Assembly this 3rd day of March  
6 1998.

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12 Chair of the Assembly

13 ATTEST:

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18 Municipal Clerk