

CLERK'S OFFICE

APPROVED

Date: 11-17-98

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Office of Management &
Budget

For Reading: November 3, 1998

ANCHORAGE, ALASKA

AR No. 98- 351

A RESOLUTION OF THE ANCHORAGE ASSEMBLY APPROPRIATING FIFTY SIX MILLION DOLLARS (\$56,000,000) FROM THE SALE OF REVENUE BONDS TO THE ANCHORAGE METROPOLITAN POLICE SERVICE AREA CAPITAL IMPROVEMENT PROGRAM FUND (0451), AUTHORIZING A TEMPORARY INTERNAL LOAN FROM THE CONSTRUCTION CASH POOL IN AN AMOUNT NOT TO EXCEED THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$3,500,000) TO THE ANCHORAGE METROPOLITAN POLICE SERVICE AREA CAPITAL IMPROVEMENT PROGRAM FUND (0451), AND AMENDING THE REVISED 1998 GENERAL GOVERNMENT CAPITAL IMPROVEMENT BUDGET AND 1998-2003 CAPITAL IMPROVEMENT PROGRAM FOR COSTS RELATED TO THE DESIGN AND CONSTRUCTION OF A REPLACEMENT JAIL

WHEREAS, the Municipality is in the process of designing and constructing a replacement for the Sixth Avenue Jail; and

WHEREAS, funding for the replacement Jail will be provided through the sale of revenue bonds; and

WHEREAS, prior to sale of revenue bonds, the replacement Jail project will require advance funding for pre-construction activities in an amount not to exceed \$3,500,000; and

WHEREAS, this appropriation requires a concurrent amendment to the revised 1998 Capital Improvement Budget and 1998-2003 Capital Improvement Program.

NOW, THEREFORE, THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. That Fifty Six Million Dollars (\$56,000,000) is appropriated from proceeds of the sale of revenue bonds to the Anchorage Metropolitan Police Service Area Capital Improvement Program Fund (0451) for a replacement Jail.

Section 2. That a sum not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) is authorized as a temporary internal loan from the Construction Cash Pool for pre-construction activities related to the Jail project.

Section 3. That the revised 1998 General Government Capital Improvement Budget and 1998-2003 Capital Improvement Program are hereby amended to incorporate the \$56 million Jail project, as follows:

		(000's)				
			State Grants			
No.	Title	G.O. Bonds	Matching	Discretionary	Other	Total
Fund					\$56,000	\$56,161
0451	Anch Metropolitan Police SA CIB	0	0	161	0	161\$
Dept.					\$56,000	\$56,161
4000	Police Department	0	0	161	0	\$161

Section 4. That this resolution shall take effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 17th day of November, 1998.


Chair

ATTEST:


Municipal Clerk

Departmental Appropriation:
Police Department \$56,000,000



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 1025-98

Meeting Date: November 3, 1998

FROM: Mayor

SUBJECT: AR 98-351 Appropriating \$56,000,000 of future revenue bond sale proceeds for design and construction of a replacement Jail facility, Authorizing a Temporary Internal Loan from the Construction Cash Pool in an amount not to exceed \$3.5 million, and Amending the Revised 1998 General Government Capital Improvement Budget (CIB) and 1998-2003 Capital Improvement Program (CIP)

The attached resolution requests several budget/financing authorizations, described below:

PURPOSE #1: Appropriating future Revenue Bond Sale Proceeds for the Jail project

The revenue bond sale will generate \$56 million to design and construct a replacement jail facility. The request for authorization to sell these revenue bonds is expected to come before the Assembly late 1st quarter 1999, with the actual sale planned for early 4th quarter 1999. The appropriation requested as part of this resolution is subject to future authorization and sale of the revenue bonds for the Jail, so no revenue bond proceeds will be expended until the revenue bonds are sold.

PURPOSE #2: Authorizing a Temporary Loan from the Construction Cash Pool up to \$3.5M

The design and construction of the Jail is expected to occur over the next 2-3 years. Over the course of the next year there will be pre-construction activity expected to involve costs up to \$3.5 million. The Administration recommends making a temporary internal loan not to exceed \$3.5 million to cover these pre-construction costs. The sale of revenue bonds to fund the Jail project is planned to coincide with the construction contract award. The proceeds of the revenue bond sale would be used to fully reimburse all funds drawn from the \$3.5 million internal loan. Additionally, if the State of Alaska were to decide not to go forward with the Jail project, then they have agreed to reimburse the Municipality for any and all costs advanced on the Jail project.

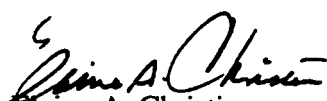
PURPOSE #3: Amending the Revised the 1998-2003 CIB/CIP

Since the replacement Jail will be a municipally owned and financed facility, it is appropriate to cite this project in the 1998-2003 CIB/CIP. This project was not cited previously in the CIB/CIP because of uncertainties as to the funding mechanism. Now that the funding source issue has been resolved, it is appropriate to amend the Revised 1998-2003 CIB/CIP to add the replacement Jail project – design and construction, \$56 million, within the Anchorage Police Department CIB/CIP. Note that the Inebriate Drop-Off Center was already incorporated into a CIB/CIP Revision earlier in 1998. The funding source for the \$1,000,000 Drop-Off Center was Areawide Fund Balance Contributed to the Areawide Capital Fund in May 1998 per AR 98-104(S).


AM accompanying Resolution re: Budget/Financing Authority for the Jail

1 THE ADMINISTRATION RECOMMENDS ASSEMBLY APPROVAL OF THE ATTACHED
2 RESOLUTION APPROPRIATING \$56,000,000 OF FUTURE REVENUE BOND SALE
3 PROCEEDS FOR DESIGN AND CONSTRUCTION OF A REPLACEMENT JAIL FACILITY,
4 AUTHORIZING A TEMPORARY INTERNAL LOAN FROM THE CONSTRUCTION CASH
5 POOL IN AN AMOUNT NOT TO EXCEED \$3.5 MILLION, AND AMENDING THE REVISED
6 1998-2003 GENERAL GOVERNMENT CAPITAL IMPROVEMENT BUDGET/PROGRAM
7 (CIB/CIP).
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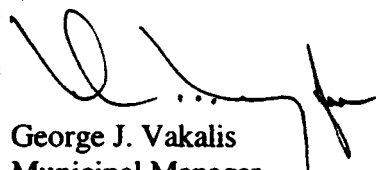
12 Concurrence:

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15 Elaine A. Christian
16 Executive Manager
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Prepared by:

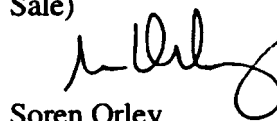

Daniel Moore
Capital Budget Officer

19 Concurrence:


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22 George J. Vakalis
23 Municipal Manager
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FUND CERTIFICATION:

0451-4521-9721 \$56,000,000
(Revenue Bonds Subject to Authorization and
Sale)


Soren Orley
Chief Fiscal Officer

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30 Rick Mystrom
31 Mayor
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