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Submitted by:

Chair of the Assembly at the

Request of the Anchorage School District

Prepared by:

Wohlforth, Vassar, Johnson & Brecht

For Reading:

January 26, 1999

### MUNICIPALITY OF ANCHORAGE

## **ALASKA**

#### ORDINANCE NO. AO 99-14

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALI-FIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR HUNDRED TWENTY-EIGHT FORTY SEVEN HUNDRED THOUSAND MILLION (\$428,740,000) OF GENERAL OBLIGATION BONDS OF THE MUNICI-PALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE MUNICIPALITY OF ANCHORAGE AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS AT AN ELECTION IN AND FOR THE MUNICIPALITY OF ANCHORAGE ON APRIL 20, 1999.

## THE ANCHORAGE ASSEMBLY HEREBY ORDAINS:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the Municipality of Anchorage (the "Municipality") to incur general obligation bonded indebtedness in an amount not to exceed Four Hundred Twenty-Eight Million Seven Hundred Forty Thousand Dollars (\$428,740,000), for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within the Municipality which include, but are not limited to, the projects listed below. The authority to issue the general obligation school bonds will be exercised (i) not earlier than the years indicated below, and (ii) in an amount not greater than the total principal amount for the designated year and preceding years. The use of proceeds of the aforementioned bonds to finance the costs of projects listed in the table under "Reimbursement Projects" will occur only if, and to the extent that, such projects qualify for at least 50% debt service reimbursement under Alaska Statutes 14.11.100, as the same may be amended from time to time.

Year	-	199	9

		Estimated Project Cost	Estimated	Estimated Principal and Interest Paid by the State	Estimated Principal and Interest Paid	Estimated Annual Operation and Maintenance
	<u>Project</u>	(Principal)	Interest	(70%)	by Anchorage	Cost
	Reimbursement Projects					
1.	Dimond High School - Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$0
2.	South Anchorage Area High School - New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
3.	Chugiak High School - HVAC, Electrical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	0
	Non-Reimbursement Projects					
4.	Government Hill Elementary School - Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
5.	Russian Jack Elementary School - Replacement	9,000,000	5,510,911	0	14,510,911	0
6.	Districtwide HVAC	3,050,000	1,865,505	0	4,915,505	0
7.	Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	0
8.	Electrical Support for Elementary School Labs	400,000	244,658	0	644,658	0
9.	Dimond High School - Replacement Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
10.	New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
11.	Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0

Total principal amount will not exceed \$171,150,000.

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=	L			<u>Year</u> - 2000			
2	2		•	10ai - 2000			Fating (
3			Estimated		Estimated Principal and Interest Paid	Estimated Principal and	Estimated Annual Operation and
		<u>Project</u>	Project Cost (Principal)	Estimated <u>Interest</u>	by the State (50%)	Interest Paid by Anchorage	Maintenance <u>Cost</u>
5	`	Reimbursement Projects			<del>_</del>		333
6	1.	Service High School - Renovation,					
7		Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$5,753,449	\$0
0	2.	Wendler Middle School - Renovation	15,300,000	9,357,636	12,328,818	12,328,818	0
8		Denali K-8 School - Replacement	11,730,000	7,174,186	9,452,093	9,452,093	41,150
9	4.	New Muldoon Area Middle School	40,800,000	24,953,694	32,876,847	32,876,847	1,725,300
10		Non-Reimbursement Projects					
11	5.	Districtwide Renewal and Replace- ment/ADA/Code	8,160,000	4,990,739	•	40 455	
<b>T</b> T	6.	New Eagle River Area Secondary	3,103,000	4,990,739	0	13,150,739	0
12		School Design	3,060,000	1,871,527	0	4,931,527	0
13		Total pr	incipal amount wi	II not exceed \$86	6,190.000.		
14				ear - 2001	, .,		
							Estimated
15					Estimated Principal and	Estimated	Annual
16			Estimated		Interest Paid	Principal and	Operation and
17		<u>Project</u>	Project Cost (Principal)	Estimated <u>Interest</u>	by the State (50%)	Interest Paid by Anchorage	Maintenance <u>Cost</u>
18		Reimbursement Projects					
10	1.	Chugiak High School - Renovation,					
19		Phases II and III	\$20,805,000	\$12,728,034	\$16,766,517	\$16,766,517	\$0
20	2.	East High School - Renovation, Phase I	10,405,000	6 265 E46	0.005.070		
21	3.	Bartlett High School - Renovation,	10,400,000	6,365,546	8,385,273	8,385,273	0
		Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
22	4.	Service High School - Renovation,				-,,	ŭ
23		Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
24	5.	Polaris K-12 School - Renovation and Addition	6 345 000	2 200 550			
	6.	Chugach Optional Elementary	6,245,000	3,820,552	5,032,776	5,032,776	0
25	<b>J</b> .	School - Renovation	2,080,000	1,272,498	1,676,249	1,676,249	0
26	7.	Chester Valley Elementary School -			·	,	·
27		Renovation	1,560,000	954,372	1,257,186	1,257,186	0
20	Ordinance	No. AO 99-14					

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AFF06662/3802.2386

1			<u>Y</u> (	<u>ear - 2001</u>			
2	8.	Inlet View Elementary School - Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
3	9.	Rabbit Creek Elementary School -			2,011,070	2,014,070	Ü
4		Renovation	1,350,000	825,900	1,087,950	1,087,950	0
5	10.	Turnagain Elementary School - Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
6	11.	New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
_	İ	Non-Reimbursement Projects					
7	12.	Districtwide Renewal and					
8		Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
9		Total pr	incipal amount wil	I not exceed \$9	5,535,000.		
10			<u>Ye</u>	ear - 2002			
11					Estimated Principal and	Estimated	Estimated Annual Operation
12			Estimated Project Cost	Estimated	Interest Paid by the State	Principal and Interest Paid	and Maintenance
13		<u>Project</u>	(Principal)	Interest	<u>(50%)</u>	by Anchorage	Cost
		Reimbursement Projects					
14	1.	East High School -					
15		Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$0
16	2.	Bartlett High School - Renovation, Phase II	10,715,000	6,554,808	8,634,904	8,634,904	0
17	3.	Service High School - Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	0
18	4.	O'Malley Elementary School -					
19		Renovation	320,000	195,758	257,879	257,879	0
17	5.	Sand Lake Elementary School -	4.070.000	054504			_
20		Renovation	1,070,000	654,564	862,282	862,282	0
21	6.	Eagle River Elementary School - Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0
22	7.	Airport Heights Elementary School -		, ,	, ,	_,,	-
22		Renovation	2,680,000	1,639,468	2,159,734	2,159,734	0
23		Non-Reimbursement Projects					
24	8.	Districtwide Renewal and Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	0
25							
26							
27	Ordinance	No. AO 99-14					

Ordinance No. AO 99-14 AFF06662/3802.2386

Year - 2002

New Eagle River Area Secondary - School Construction

30,000,000 18,352,239

0 48,352,239

1.701.250

Total principal amount will not exceed \$75,865,000.

Section 2. The sum of not to exceed Four Hundred Twenty-Eight Million Seven Hundred Forty Thousand Dollars (\$428,740,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid school capital improvements and shall be evidenced by the issuance of general obligation bonds of the Municipality. The bond proceeds shall be used only for capital improvements and costs of issuance of the bonds. 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 of and interest on the bonds when due.

Section 3. An election is to be held on April 20, 1999, in and for the Municipality of Anchorage, for the purpose of submitting a general obligation bond proposition to the qualified voters of the Municipality for approval or rejection. 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:

#### **SUMMARY**

This bond proposition authorizes Anchorage to issue general obligation bonds in an amount not to exceed \$428,740,000 for educational capital improvements. Voter authorization permits Anchorage to issue general obligation bonds in the principal amount of (i) \$171,150,000 in year 1999, (ii) \$86,190,000 in year 2000, (iii) \$95,535,000 in year 2001, and (iv) \$75,865,000 in year 2002. If the bonds are not issued in the designated year, such bonds may be issued at a later date. Approval of this bond proposition also permits Anchorage to raise the Municipal Tax Cap to pay for operations and maintenance costs related to the educational capital improvement projects.

Anchorage will issue bonds to finance the "Reimbursement Projects," as shown in the ballot proposition below, only if such "Reimbursement Projects" will qualify under the State of Alaska's program for debt reimbursement, which provides for payment of a percentage of the principal and interest on the bonds issued. Actual

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payment for debt reimbursement from the State of Alaska is subject to annual legislative appropriations.

# PROPOSITION NO.

# **EDUCATIONAL CAPITAL IMPROVEMENT BONDS**

Shall Anchorage borrow up to \$428,740,000 through the issuance of general obligation bonds and increase the municipal tax cap by an amount up to \$7,630,000?

The general obligation bond proceeds will pay costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within Anchorage. The increase in the municipal tax cap will pay for operations and maintenance costs related to the proposed educational capital improvements.

The proposed bonds will be issued no earlier than the designated year and in an amount no greater than the total principal amount for the designated year and preceding years, as described below, to finance the costs of the proposed educational capital improvement projects which include, but are not limited to, the following:

#### Year - 1999

14 15 16 17		<u>Project</u> Reimbursement Projects	Estimated Project Cost <u>(Principal)</u>	Estimated <u>Interest</u>	Estimated Principal and Interest Paid by the State (70%)	Estimated Principal and Interest Paid by Anchorage	Estimated Annual Operation and Maintenance Cost
18	1.	Dimond High School - Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$0
19	2.	South Anchorage Area High School - New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
20 21	3.	Chugiak High School - HVAC, Electrical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	0
<b>4</b>		Non-Reimbursement Projects				, ,	•
22	4.	Government Hill Elementary School -					
23		Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
	5.	Russian Jack Elementary School -					
24		Replacement	9,000,000	5,510,911	0	14,510,911	0
25	6.	Districtwide HVAC	3,050,000	1,865,505	0	4,915,505	0
	7.	Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	0
26	8.	Electrical Support for Elementary					
27		School Labs	400,000	244,658	0	644,658	0
- 1	Ordinanaa	N= 40 00 44					

Ordinance No. AO 99-14 AFF06662/3802.2386

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1				Year - 1999			
2	9.	Dimond High School - Replacement					
3		Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
4	10.	New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
	11.	Chugiak High School - Renovation,		,,	· ·	3,003,373	. 0
5		Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
6		Total pri	incipal amount w	rill not exceed \$1	71,150,000.		
7			-	Year - 2000			
8					Estimated		Estimated Annual
9			Estimated		Principal and	Estimated	Operation
10		Decised	Project Cost	Estimated	Interest Paid by the State	Principal and Interest Paid	and Maintenance
		Project	(Principal)	Interest	<u>(50%)</u>	by Anchorage	Cost
11	1.	Reimbursement Projects					
12	 	Service High School - Renovation, Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$5,753,449	\$0
13	2.	Wendler Middle School - Renovation	15,300,000	9,357,636	12,328,818	12,328,818	0
14	3.	Denali K-8 School - Replacement	11,730,000	7,174,186	9,452,093	9,452,093	41,150
T. <del></del>	4.	New Muldoon Area Middle School	40,800,000	24,953,694	32,876,847	32,876,847	1,725,300
15		Non-Reimbursement Projects					
16	5.	Districtwide Renewal and Replace- ment/ADA/Code	8,160,000	4,990,739	0	13,150,739	0
17	6.	New Eagle River Area Secondary					
18		School Design	3,060,000	1,871,527	0	4,931,527	0
19		Total prin	ncipal amount wi	Il not exceed \$86	5,190,000.		
			<u>Y</u>	ear - 2001			
20					Estimated		Estimated
21			<b>=</b>		Principal and	Estimated	Annual Operation
22			Estimated Project Cost	Estimated	Interest Paid by the State	Principal and Interest Paid	and Maintenance
23		<u>Project</u>	(Principal)	Interest	(50%)	by Anchorage	Cost
24		Reimbursement Projects					
24	1.	Chugiak High School -Renovation, Phases II and III	\$20,805,000	\$12,728,034	\$16,766,517	\$16 700 F47	•
25	2.	East High School - Renovation,	,,	+ 1=11 =0,007	ψ10,100,31 <i>1</i>	\$16,766,517	\$0
26		Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
27	Ō#						
28	Ordinance AFF06662/380	No. AO 99-14 12.2386					Page 7

1	.		<u>\</u>	<u> </u>			
2	3.	Bartlett High School - Renovation,	10 105 000	0.00= =			
3	4.	Service High School - Renovation,	10,405,000	6,365,546	8,385,273	8,385,273	0
4	5.	Phase II  Polaris K-12 School - Renovation and	12,485,000	7,638,044	10,061,522	10,061,522	0
5	0.	Addition	6,245,000	3,820,552	5,032,776	5,032,776	0
6	6.	Chugach Optional Elementary School - Renovation	2,080,000	1,272,498	1,676,249	1,676,249	0
7	7.	Chester Valley Elementary School - Renovation	1 500 000				Ū
8	8.	Inlet View Elementary School -	1,560,000	954,372	1,257,186	1,257,186	0
9	9.	Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
10	9.	Rabbit Creek Elementary School - Renovation	1,350,000	825,900	1,087,950	1,087,950	0
11	10.	Turnagain Elementary School - Renovation	3,150,000	1,927,100	2,538,550	2 529 550	0
12	11.	New ABC School - New Construction	15,605,000	9,546,790	12,575,895	2,538,550 12,575,895	0 1,025,150
13		Non-Reimbursement Projects				, ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
14	12.	Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
15		Total pri	ncipal amount will	I not exceed \$95	5,535,000.		
15 16		Total pri		l not exceed \$98 ear - 2002	5,535,000.		
		Total pri					Estimated
16		Total pri			Estimated Principal and	Estimated Principal and	Annual Operation
16 17	·	Total pri <u>Project</u>	<u>Ye</u>		Estimated Principal and Interest Paid by the State	Principal and Interest Paid	Annual Operation and Maintenance
16 17 18			Ye Estimated Project Cost	ear - 2002 Estimated	Estimated Principal and Interest Paid	Principal and	Annual Operation and
16 17 18 19	1.	<u>Project</u>	Ye Estimated Project Cost	ear - 2002 Estimated	Estimated Principal and Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	Annual Operation and Maintenance <u>Cost</u>
16 17 18 19 20	1.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School -	Estimated Project Cost (Principal) \$10,715,000	Estimated Interest \$6,554,808	Estimated Principal and Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	Annual Operation and Maintenance Cost
16 17 18 19 20 21		Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase II  Service High School -	Ye Estimated Project Cost (Principal)	Estimated Interest	Estimated Principal and Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	Annual Operation and Maintenance <u>Cost</u>
16 17 18 19 20 21 22	2. 3.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase II  Service High School - Renovation, Phase III	Estimated Project Cost (Principal) \$10,715,000	Estimated Interest \$6,554,808	Estimated Principal and Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	Annual Operation and Maintenance Cost
16 17 18 19 20 21 22 23	2.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase II  Service High School -	Estimated Project Cost (Principal) \$10,715,000	Estimated Interest \$6,554,808	Estimated Principal and Interest Paid by the State (50%) \$8,634,904	Principal and Interest Paid by Anchorage \$8,634,904 8,634,904	Annual Operation and Maintenance Cost \$0
16 17 18 19 20 21 22 23 24	2. 3.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase II  Service High School - Renovation, Phase III  O'Malley Elementary School -	Estimated Project Cost (Principal)  \$10,715,000  10,715,000  8,575,000	Estimated Interest \$6,554,808 6,554,808 5,245,682	Estimated Principal and Interest Paid by the State (50%)  \$8,634,904  8,634,904  6,910,341  257,879	Principal and Interest Paid by Anchorage \$8,634,904 8,634,904 6,910,341 257,879	Annual Operation and Maintenance Cost \$0 0
16 17 18 19 20 21 22 23 24 25	2. 3. 4.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase II  Service High School - Renovation, Phase III  O'Malley Elementary School - Renovation  Sand Lake Elementary School -	Estimated Project Cost (Principal) \$10,715,000 10,715,000 8,575,000 320,000	Estimated Interest  \$6,554,808  6,554,808  5,245,682  195,758	Estimated Principal and Interest Paid by the State (50%) \$8,634,904  8,634,904  6,910,341	Principal and Interest Paid by Anchorage \$8,634,904 8,634,904 6,910,341	Annual Operation and Maintenance Cost \$0 0
16 17 18 19 20 21 22 23 24 25 26	2. 3. 4. 5.	Project  Reimbursement Projects  East High School - Renovation, Phase II  Bartlett High School - Renovation, Phase III  Service High School - Renovation, Phase IIII  O'Malley Elementary School - Renovation  Sand Lake Elementary School - Renovation  No. AO 99-14	Estimated Project Cost (Principal) \$10,715,000 10,715,000 8,575,000 320,000	Estimated Interest  \$6,554,808  6,554,808  5,245,682  195,758	Estimated Principal and Interest Paid by the State (50%)  \$8,634,904  8,634,904  6,910,341  257,879	Principal and Interest Paid by Anchorage  \$8,634,904  8,634,904  6,910,341  257,879  862,282	Annual Operation and Maintenance Cost \$0 0 0

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2	Eagle River Elementary School - Renovation
3	Airport Heights Elementary School - Renovation
4	Non-Reimbursement Projects
5	8. Districtwide Renewal and
6	Replacement/ADA/Code
7	New Eagle River Area Secondary -     School Construction
8	Total
9	Voter approval of the state of
10	(based on the estim increase in the mu
11	\$53.07 to pay for a related to the propo
12	
13	Voter approval of t each \$100,000 of a
14	(based on the estim increase in taxes of indebtedness.
15	
16	No bonds will be projects listed unde
17	and until such pro service reimbursen
18	Receipt of State i appropriations.
19	The debt will be pa
20	taxes levied and co age will also pledge debt.
21	
22	(No. AO 99)
23	Section 4. The proposition
24	printed on a ballot which may se
25	

3,215,000	1,966,748	2,590,874	2,590,874	0

2,159,734

0

2,159,734

Renewal and 13,820,681 nt/ADA/Code 8,575,000 5,245,681 0

2,680,000

Year - 2002

1,639,468

River Area Secondary struction 48,352,239 30,000,000 18,352,239 1.701.250

Total principal amount will not exceed \$75,865,000.

oter approval of this bond proposition authorizes for each 00,000 of assessed real and personal property value ased on the estimated 1999 assessed valuation) an annual crease in the municipal tax cap (Charter 14.03(b)(2)) of 3.07 to pay for annual operation and maintenance costs ated to the proposed educational capital improvements.

ter approval of this bond proposition also authorizes for ch \$100,000 of assessed real and personal property value ased on the estimated 1999 assessed valuation) an annual crease in taxes of \$135.27 to retire the proposed bond debtedness.

bonds will be issued, however, to finance costs of ojects listed under "Reimbursement Projects" above unless d until such projects qualify for State of Alaska debt rvice reimbursement under existing or new legislation. eceipt of State reimbursement is subject to legislative propriations.

e debt will be paid first from real and personal property ces levied and collected areawide in Anchorage. Anchore will also pledge its full faith and credit for payment of the bt.

The proposition, both for paper ballots and machine ballots, shall be llot which may set forth other general obligation bond propositions, and

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1	the following words shall be added as appropriate and next to a square provided for
2	marking the ballot or voting by a machine:
3	PROPOSITION NO Yes
4	No □
5	Section 5. Section 2 of this Ordinance shall become effective only if the
6	proposition described in Section 3 is approved by a majority of the qualified voters voting
7	on the proposition at the regular election on April 20, 1999. The remaining sections of
8	this Ordinance shall become effective upon passage and approval.
9	PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this
10	day of February 1999.
11	
12	Chair
13	ATTEST:
14	ATTEST.
15	Municipal Clerk
16	Mullicipal Cierk
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27	Ordinance No. AO 99-14

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