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99-41(S-1)

Submitted by:  
  
Prepared by:  
  
For Reading

Chair of the Assembly at the  
Request of the Anchorage School  
District  
Wohlforth, Vassar, Johnson  
& Brecht  
February 23, 1999

MUNICIPALITY OF ANCHORAGE  
ALASKA  
ORDINANCE NO. AO 99-14(S)-1

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR HUNDRED TWENTY-EIGHT MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS (\$428,740,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY 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 (i) listed in the table under "Reimbursement Projects" for year 1999 will occur only if, and to the extent that, such projects qualify for at least 70% debt service reimbursement under Alaska Statutes 14.11.100, as the same may be amended from time to time, and (ii) listed in the

tables under "Reimbursement Projects" for years 2000, 2001 and 2002 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 - 1999

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (70%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Reimbursement Projects</b>					
1. Dimond High School - Replacement Construction	\$60,160,000	\$36,796,479	\$67,869,535	\$29,086,944	\$0
2. South Anchorage Area High School -New School Construction	62,359,800	38,141,972	70,351,240	30,150,532	3,032,500
3. Chugiak High School - HVAC, Elec- trical and Fire Upgrades	2,831,089	1,731,617	3,193,894	1,368,812	0
<b>Non-Reimbursement Projects</b>					
4. Government Hill Elementary School Addition and Renovation	9,800,000	5,994,108	0	15,794,108	104,650
5. Russian Jack Elementary School -Re- placement	8,000,000	4,893,149	0	12,893,149	0
6. Districtwide HVAC	3,050,000	1,865,513	0	4,915,513	0
Districtwide Roof Repairs	2,900,000	1,773,765	0	4,673,765	0
8. Electrical Support for Elementary Schools	400,000	244,658	0	644,658	0
9. Dimond High School - Replacement Design and Demolition	7,840,000	4,795,286	0	12,635,286	0
10. New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,793	0	9,089,993	
11. Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,819	0	11,553,730	0

Total principal amount will not exceed \$170,150,000.

Year - 2000

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Reimbursement Projects</b>					
Service High School - Renovation, Phase I	\$7,140,000	\$4,366,996	\$5,753,498	\$5,753,498	\$0
2. Wendler Middle School - Renovation	15,300,000	9,357,848	12,328,924	12,328,924	0
3. Denali K-8 School - Replacement	11,730,000	7,174,350	9,452,175	9,452,175	0
4. New Muldoon Area Middle School	40,800,000	24,954,258	32,877,129	32,877,129	1,725,300
5. Central Middle School - Renovation	3,000,000	,834,874	2,417,437	2,417,437	0
<b>Non-Reimbursement Projects</b>					
6. Districtwide Renewal and Replace- ment/ADA/Code	6,160,000	3,767,603	0	9,927,603	0
7. New Eagle River Area Secondary School Design	3,060,000	1,871,570	0	4,931,570	0

Total principal amount will not exceed \$87,190,000.

Year - 2001

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Reimbursement Projects</b>					
1. Chugiak High School - Renovation, Phases II and III	\$20,805,000	\$12,728,034	\$16,766,517	\$16,766,517	\$0
2. East High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
3. Bartlett High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
4. Service High School - Renovation, Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
5. Polaris K-12 School - Renovation and Addition	6,245,000	3,820,552	5,032,776	5,032,776	0
6. Chugach Optional Elementary School - Renovation	2,080,000	1,272,498	1,676,249	1,676,249	0

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
7. Chester Valley Elementary School -Renovation	1,560,000	954,372	1,257,186	1,257,186	0
8. Inlet View Elementary School -Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
9. Rabbit Creek Elementary School -Renovation	1,350,000	825,900	,087,950	1,087,950	0
10. Turnagain Elementary School -Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
11. New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
<b>Non-Reimbursement Projects</b>					
12. Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0

Total principal amount will not exceed \$95,535,000.

**Year - 2002**

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Reimbursement Projects</b>					
1. East High School - Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$0
2. Bartlett High School - Renovation, Phase II	10,715,000	6,554,808	8,634,904	8,634,904	0
3. Service High School - Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	0
4. O'Malley Elementary School - Renovation	320,000	195,758	257,879	257,879	0
5. Sand Lake Elementary School - Renovation	1,070,000	654,564	862,282	862,282	0
6. Eagle River Elementary School - Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0
7. Airport Heights Elementary School - Renovation	2,680,000	1,639,468	2,159,734	2,159,734	0

<u>Project</u>		<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Non-Reimbursement Projects</b>						
8.	Districtwide Renewal and Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	0
9.	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) \$170,150,000 in year 1999, (ii) \$87,190,000 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 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 payment for debt reimbursement from the State of Alaska is subject to annual legislative appropriations.

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (70%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Non-Reimbursement Projects</b>					
4. Government Hill Elementary School Addition and Renovation	9,800,000	5,994,108	0	15,794,108	104,650
5. Russian Jack Elementary School -Re- placement	8,000,000	4,893,149	0	12,893,149	0
6. Districtwide HVAC	3,050,000	1,865,513	0	4,915,513	0
7. Districtwide Roof Repairs	2,900,000	1,773,768	0	4,673,765	0
8. Electrical Support for Elementary Schools	400,000	244,658	0	644,658	0
9. Dimond High School - Replacement Design and Demolition	7,840,000	4,795,286	0	12,635,286	0
10. New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,793	0	9,089,993	0
11. Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,819	0	11,553,730	0

Total principal amount will not exceed \$170,150,000.

Year - 2000

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2. Wendler Middle School - Renovation	15,300,000	9,357,848	12,328,924	12,328,924	0
3. Denali K-8 School - Replacement	11,730,000	7,174,350	9,452,175	9,452,175	0
4. New Muldoon Area Middle School	40,800,000	24,954,258	32,877,129	32,877,129	1,725,300
5. Central Middle School - Renovation	3,000,000	1,834,874	2,417,437	2,417,437	
<b>Non-Reimbursement Projects</b>					
6. Districtwide Renewal and Replace- ment/ADA/Code	6,160,000	3,767,603	0	9,927,603	0

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
7. New Eagle River Area Secondary School Design	3,060,000	,871,570	0	4,931,570	0

Total principal amount will not exceed \$87,190,000.

Year - 2001

<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
<b>Reimbursement Projects</b>					
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2. East High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
3. Bartlett High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
4. Service High School - Renovation, Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
5. Polaris K-12 School - Renovation and Addition	6,245,000	3,820,552	5,032,776	5,032,776	0
6. Chugach Optional Elementary School - Renovation	2,080,000	1,272,498	1,676,249	1,676,249	0
7. Chester Valley Elementary School -Renovation	1,560,000	954,372	1,257,186	1,257,186	0
8. Inlet View Elementary School -Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
9. Rabbit Creek Elementary School -Renovation	1,350,000	825,900	1,087,950	,087,950	0
10. Turnagain Elementary School -Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
11. New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150



	<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
	<b>Non-Reimbursement Projects</b>					
12.	Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0

Total principal amount will not exceed \$95,535,000.

Year - 2002

	<u>Project</u>	<u>Estimated Project Cost (Principal)</u>	<u>Estimated Interest</u>	<u>Estimated Principal and Interest Paid by the State (50%)</u>	<u>Estimated Principal and Interest Paid by Anchorage</u>	<u>Estimated Annual Operation and Maintenance Cost</u>
	<b>Reimbursement Projects</b>					
1.	East High School - Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$0
2.	Bartlett High School - Renovation, Phase II	10,715,000	6,554,808	8,634,904	8,634,904	0
3.	Service High School - Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	0
4.	O'Malley Elementary School - Renovation	320,000	196,758	257,879	257,879	0
5.	Sand Lake Elementary School - Renovation	1,070,000	654,564	862,282	862,282	0
6.	Eagle River Elementary School - Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0
7.	Airport Heights Elementary School - Renovation	2,680,000	,639,468	2,159,734	2,159,734	0
	<b>Non-Reimbursement Projects</b>					
8.	Districtwide Renewal and Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	
9.	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.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value (based on the estimated 1999 assessed valuation) an annual

1 increase in the municipal tax cap (Charter 14.03(b)(2)) of  
2 \$52.78 to pay for annual operation and maintenance costs  
3 related to the proposed educational capital improvements.

4 Voter approval of this bond proposition also authorizes for  
5 each \$100,000 of assessed real and personal property value  
6 (based on the estimated 1999 assessed valuation) an annual  
7 increase in taxes of \$134.42 to retire the proposed bond  
8 indebtedness.

9 No bonds will be issued, however, to finance costs of  
10 projects listed for any year indicated under "Reimbursement  
11 Projects" above unless and until such projects qualify for  
12 State of Alaska debt service reimbursement under existing or  
13 new legislation at or above the percentage indicated for  
14 such year. Receipt of State reimbursement is subject to  
15 legislative appropriations.

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

20 (No. AO 99-\_\_)

21 Section 4. The proposition, both for paper ballots and machine ballots, shall be  
22 printed on a ballot which may set forth other general obligation bond propositions, and  
23 the following words shall be added as appropriate and next to a square provided for  
24 marking the ballot or voting by a machine:

25 PROPOSITION NO

26 Yes ☐

27 No ☐

28 Section 5. 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 on April 20, 1999. The remaining sections of  
this Ordinance shall become effective upon passage and approval.

1 PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this  
2 day of February 1999.

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4 \_\_\_\_\_  
5 Chair

6 ATTEST:

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8 Municipal Clerk  
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