MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2006-180(S)


WHEREAS, the existing Clark Middle School serving the Municipality of Anchorage, Alaska (the “Municipality”) is in need of renewal and replacement; and

WHEREAS, the Assembly of the Municipality and School Board have identified the necessity for the complete renewal and replacement of Clark Middle School; and

WHEREAS, in order to provide funds to perform the renewal and replacement of Clark Middle School, as further described in Section 1 of this ordinance (the “Project”), it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds (the “Bonds”);

NOW, THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS:

Section 1. Purpose. The Assembly hereby determines that the Clark Middle School is in need of complete renewal and replacement (the “Project”). The renewal and replacement
consists of the demolition of the existing facility and its reconstruction. The cost of all necessary
planning, acquisition of property for, site preparation, construction, installing and equipping of
the Project, architectural, engineering, design, and other consulting services, inspection and
testing, administrative and relocation expenses, costs of issuance of the Bonds (hereinafter
defined) and other costs incurred in connection with the Project shall be deemed to be costs of
the approved Project. The Project may be completed with all necessary furniture, library books,
equipment and appurtenances.

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

If the Project has been completed in whole or in part, or its completion duly provided for, or
its completion found to be impractical, the School District may apply Bond proceeds or any
portion thereof to other School District capital improvements as the School Board in its
discretion shall determine and, if otherwise, then solely to payment of principal or interest on the
Bonds, as provided in the Home Rule Charter. In the event that the proceeds of sale of the
Bonds, plus any other monies of the School District legally available, are insufficient to
accomplish the Project, the School District shall use the available funds for paying the cost of
those portions of the Project for which the Bonds were approved deemed by the School Board
most necessary and in the best interest of the School District. No Bond proceeds shall be used
for any purpose other than a capital improvement.

For the purpose of providing funds for the undertaking of the Project, which is hereby
found to be a public purpose and in the public interest, the Municipality hereby proposes to issue
general obligation bonded indebtedness in an amount not to exceed Sixty-Five Million Dollars ($65,000,000) (the "Bonds").

Section 2. Details of Bonds. The Bonds shall be sold in such amounts and at such
time or times as deemed necessary and advisable by the Assembly and as permitted by law and
shall mature over a period of 20 years of date of issue. The Bonds shall be issued in an
aggregate principal amount of not to exceed $65,000,000. The Bonds shall bear interest to be
fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents, security,
options of 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 electors
of the Municipality the proposition of whether or not the Municipality should issue the Bonds for
the purpose of financing the costs of the Project at the regular municipal election to be held on

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. _____

CLARK MIDDLE SCHOOL RENEWAL AND REPLACEMENT BONDS

Shall Anchorage borrow up to $65,000,000 through the issuance of general obligation bonds to pay for renewal and replacement of Clark Middle School within Anchorage, as provided in Ordinance No. AO 2006-180(S) and increase the municipal tax cap by an amount of $425,000 to pay for associated annual operations and maintenance costs? The project currently qualifies for 60% State debt reimbursement (subject to annual Legislative appropriation as described below.)

The general obligation bond proceeds will be used to pay costs of demolition, planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects, but not limited to the project described above.

The project currently qualifies for 60% State debt reimbursement. If the State chooses to make full reimbursement, the annual increase in taxes would be $7.57 to retire the proposed bonds (based on $100,000 of 2007 real and personal property value). State reimbursement is subject to annual Legislative appropriation.

Voter approval of this bond proposition authorizes for each $100,000 of assessed real and personal property value (based on the estimated 2007 assessed valuation): (i) an annual increase in taxes of approximately $18.93 to retire the proposed bonds (subject to reduction with State reimbursement money), and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately $1.51 to pay for annual operation and maintenance costs related to the proposed capital improvements.

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 debt.

(No. AO 2006-180(S))

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

PROPOSITION NO. ________ BONDS, YES □
          BONDS, NO □

Section 5. 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 3, 2007. The remaining sections of this
ordinance shall become effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly, this 13th day of
February, 2007

__________________________
Chair

ATTEST:

__________________________
Municipal Clerk

-5-
MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 918-2006(A)

Meeting Date: February 13, 2007

From: ANCHORAGE SCHOOL DISTRICT

Subject: AO 2006-180 (S) Two Ballot Propositions to Provide
AO 2006-181 (S) for the Issuance of General
Capitol Obligation Bonds for Educational
Capital Improvements

The Anchorage School Board approved two ballot propositions to provide for the issuance
of general obligation bonds for education-related capital projects on December 11, 2006:
This recommendation includes proposed Proposition I for Clark Middle School Renewal
and Replacement Project in the amount of $65,000,000; and Proposition II for Districtwide
Building System Renewals in the amount of $20,000,000.

AM 918-2006 was introduced at the December 19, 2006 Assembly meeting. The subject of
the memorandum was the issuance of general obligations bonds in support of educational
capital improvement (AO 2006-180, AO 2006-181). The Memorandum, and associated
Ordinances, discussed the possibility of receiving debt reimbursement from the State. After
the Memorandum and Ordinances were prepared, the District received approval from the
State for debt reimbursement on these bond packages. AM 918-2006(A), AO 2006-180(S),
and AO 2006-181(S) have revised wording that addresses the State's approval of this debt
reimbursement and the impact of this reimbursement on annual taxes required to support
the bonds.

The School Board requests the Anchorage Assembly place the two propositions, as stated
on AO 2006-180(S) and AO 2006-181(S), on the April 3, 2007 ballot for consideration by
qualified voters of the Municipality of Anchorage. These propositions will pay the cost of
capital improvement projects for the Anchorage School District, including, but not limited
to, the following:

<table>
<thead>
<tr>
<th>Proposition I:</th>
<th>$65,000,000</th>
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<tbody>
<tr>
<td>Project</td>
<td>Estimated Cost</td>
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<tr>
<td>Clark Middle School Renewal and Replacement</td>
<td>$65,000,000</td>
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</tbody>
</table>

The approximate annual amount of taxes on $100,000 of assessed real and personal
property value (based on estimated total 2007 assessed valuation) to retire the proposed
debt is $18.93. However, the entire $65,000,000 of bonds are approved for 60 percent
State debt reimbursement, per the Department of Education and Early Development
(DEED) letter dated February 6, 2007, Attachment A. If the State chooses to make full
reimbursement, the annual increase in taxes would be $7.57 (based on $100,000 of
estimated 2007 assessed real and personal property value). State reimbursement is subject
to annual legislative appropriation. An annual increase in the municipal tax cap of

AO 2006-180(S)/AO 2006-181(S)
approximately $1.51 on $100,000 of assessed real and personal property value (based on estimated total 2007 assessed valuation) is to pay for annual operation and maintenance costs related to the proposed capital improvement.

Proposition II: $20,000,000

Districtwide Building Systems Renewal Priority One Projects:
Districtwide Code/Hazmat/ADA/Sprinkler Projects $1,265,000
Districtwide Roof Replacement and Repairs 1,950,000
Multi-School Security System Upgrades 890,000
Emergency Communications Systems – High Schools 650,000
Districtwide Building Renewal Projects 4,110,000
Districtwide Electrical Projects 2,190,000
Districtwide Mechanical Projects 5,845,000
Districtwide Traffic Safety Projects 3,100,000

Proposition II Total $20,000,000

The approximate annual amount of taxes on $100,000 of assessed real and personal property value (based on estimated total 2007 assessed valuation) to retire the proposed debt is $5.83. However, the entire $20,000,000 of the bonds are approved for 70 percent State debt reimbursement, per the Department of Education and Early Development (DEED) letter dated February 6, 2007, Attachment A. If the State chooses to make full reimbursement, the annual increase in taxes would be $1.75 (based on $100,000 of estimated 2007 assessed real and personal property value). State reimbursement is subject to annual legislative appropriation. These projects will not increase annual operating costs.

A brief description of the projects in the two bond proposals is provided beginning on page 4 of this memorandum.

Supporting Information

Beginning in 1993, the Alaska Legislature has approved State reimbursement programs that provided for up to 70 percent reimbursement on voter-approved capital improvement bonds. Since then, the Anchorage School District has received voter approval for a total of $962 million in construction and renovation bonds. Of this amount, approximately $683 million has received up to 70 percent State reimbursement through grant funds or debt reimbursement programs.

Past bond issues have focused on replacing, renewal of, or adding secondary schools. These projects have included a replacement school for Dimond High; new South and Eagle River High Schools and the new Nicholas Joseph Begich Middle School in the Muldoon area; and renewal and upgrades at Chugiak, East, Service and Bartlett High Schools.

With the last successful passage of the special bond election in the fall of 2004, the District made the commitment to not request school bonds during the 2005 election. During the spring 2006 election, voters rejected all school bonds. From the special election of November 2004 through March 2007, approximately $86.6 million of bonds have been paid off. Over the next five years, the District will be paying off between $43 million and $50 million of bonds each year, of which the State will pay approximately 50 percent. Currently, the District will have approximately $769 million of bonds outstanding as of June 30, 2007. Of this amount, the State pays approximately 53 percent.
Proposition I of this bond proposal provides funding for complete renewal and replacement of Clark Middle School.

Proposition II includes Building System Renewal items. The Districtwide building system renewal projects include security; sprinklers; building renewal; roof replacement; mechanical, electrical, traffic safety, code upgrades, and emergency communications systems upgrades to high schools.

**Documentation of Need:**

The District operates and maintains the largest physical plant of any public entity in the State, with approximately 7.5 million square feet of facilities. The replacement value of District buildings exceeds $1.5 billion. The District is responsible for 91 facilities, housing approximately 50,000 students, more students than the total of the next five largest districts, and over 5,000 staff members. Anchorage educates approximately 40 percent of the total student population of the State. Not only is the inventory large, it is aging. Forty-eight schools are 20 to 50 years old and eight are over 50 years old.

**Building components wear out.** Facility systems only last so long. Roofs deteriorate and leak; heating, plumbing, and ventilation systems wear out; structural systems age. Various code changes require updating electrical and mechanical systems, access for the physically disabled, hazardous materials removal, sprinkler and fire safety upgrades.

**Functional obsolescence** is another fact of life for older schools. Over the life of a school, programmatic changes take place that demand updating the facility infrastructure. There is a continual need to update the electrical distribution systems in the schools to accommodate current technology. Older schools have outdated science rooms that also limit curriculum options. Current educational delivery methods require physical layouts that are often different from those of 30 to 40 years ago. Without renewal, these schools do not provide our students the same quality educational parity of program and facilities across our school system.

**Additional capacity** to house the constantly shifting student population is the third component of capital requirements. Anchorage is the largest district in the State, and while its overall enrollment has been steady in recent years, the geographic distribution of students continues to shift due to the high mobility of the Anchorage population. To meet short-term capacity needs in the affected schools, the Anchorage School District uses approximately 130 relocatable units.

**Effective use of operation and maintenance funding** is critical to keeping Anchorage schools in good condition. The District uses a computerized preventative maintenance program; continually reviews the maintenance program to implement better ways of doing business; has regionalized maintenance teams to provide better service and reduce travel time; and has implemented an apprenticeship program at no cost to the District to improve worker skills and productivity.
Capital Request Advisory Committee

The District’s Capital Request Advisory Committee (CRAC) met on November 1, 2006 and November 8, 2006 to review options and develop recommendations for a spring 2007 bond. The Committee recommended two bond propositions totaling $115,000,000.

With the purpose to broaden community input and advice, the District formed a Capital Request Focus Group to comment on the CRAC’s bond recommendation, and other matters relating to capital/construction issues. This small group is comprised of representatives from groups and industries such as Alaskan development interests, Chambers of Commerce, the media, home construction, public policy education, senior citizens, and banking and retail businesses. The Capital Request Focus Group met on November 28, 2006 to review the CRAC’s spring 2007 bond recommendation. The Focus Group recommended that the District move forward with a total bond request of $85,000,000.

The School Board carefully reviewed these comments and recommendations and recommended two bond propositions totaling $85,000,000. Some projects were deferred from the CRAC recommendation for the purpose of reducing the total bond amount.

Discussion of Debt Reimbursement Funding From House Bill 13

House Bill 13 passed by the Legislature in July 2006 provides for 60 percent or 70 percent debt reimbursement on school construction projects that have received local voter approval between October 1, 2006 and November 30, 2008. The Clark Middle School Renewal and Replacement project is approved for 60 percent reimbursement of $65,000,000 and would reduce the annual increase in taxes to approximately $7.57 (based on $100,000 of estimated 2007 assessed real and personal property value). The Districtwide Building Systems Renewal projects are approved for 70 percent reimbursement of $20,000,000 and would reduce the annual increase in taxes to approximately $1.75 (based on $100,000 of estimated 2007 assessed real and personal property value). State reimbursement is subject to annual legislative appropriation.

Project Descriptions

CLARK MIDDLE SCHOOL RENEWAL AND REPLACEMENT

Northeast Anchorage’s Clark Middle School was built in 1959 and has had minimal upgrades since then. It is deficient in:

1) its inability to meet approved Educational Specifications by inadequately accommodating smaller learning communities and a variety of specialized programs required to meet students’ needs;

2) building systems, including
   a. architectural – low ceilings in classrooms and corridors, lack of adequate acoustical treatment, worn surfaces and lockers;
   b. structural – to retrofit for current seismic requirements would entail replacing much of the existing structure;
   c. mechanical – energy inefficient, maintenance intensive, and uneven heat and ventilation;
   d. electrical – inadequate lighting and infrastructure for accommodating current learning technologies; and
   e. the presence of unexposed hazardous materials which impedes maintenance, repair, and retrofit of systems.
Research has shown that the quality of a school’s physical environment has a significant affect on academic outcomes. The quality of Clark Middle School’s environment is not on par with other District middle schools and negatively affects student performance. Renewal of Clark Middle School meets the District’s Mission “to educate all students for success in life” by establishing and maintaining a supportive and effective learning environment.

One major physical plant improvement was a Library built in 1994. It was intended to be used jointly by the Municipality and District for its students. Functionally, the joint use did not succeed due to difficulty of segregating age-appropriate materials, lack of staffing, and conflicting hours of use.

The school is on a sloped site that, until recently, had over 30 acres. Needs of four major developments associated with Mountain View’s Redevelopment Project have reduced the site to a compact 23.75 acres. Clark Middle School’s renewal is a keystone of that project. Developments surrounding the site include: P.O.B. Montgomery’s Glenn Square commercial development, the State DOT/PF’s Glenn Highway/Bragaw Street Interchange upgrade, Mountain View Drive upgrades, and plans to convert and expand the Municipality’s Parks & Recreation building into a Community Center and Library. The school’s site design is being closely coordinated with the redevelopment projects, and the design team and school have reached out extensively to involve the community. This outreach effort has included: posting design meeting notices at local churches and businesses; providing project information at community events; participating in the Mountain View Redevelopment Oversight Committee; and presenting to affected community councils.

Clark Middle School’s renewal is based on Educational Specifications specifically developed for the school. They reflect the school’s unique nature of having more special programs and smaller average class sizes of 22.5 than other District Middle Schools. Some of those programs are: Title 1, English as Second Language, Teen Impact, Cultural Studies (Cook Inlet Tribal Council), Child in Transition/Homeless, and 21st Century Learning Centers. The existing school has 41 classrooms and 10 relocatable classrooms delivering education to seventh and eighth grades. The school intends to serve grades 6, 7 and 8, and yet can fit the 7 and 8 model. The renewed Clark Middle School will offer 50 teaching stations and have a 1,125-student capacity, based on the Alaska Department of Education and Early Development allocation of 165 square feet per student. However, the capacity based on the actual number of programs using spaces is 1,030 students.

The site includes all standard middle school amenities while improving students’ access, safety and security. The school’s public front faces Mountain View Drive. More students walk to this school than others. They will have inviting, unobstructed, and safe pedestrian access from Mountain View Drive’s sidewalk to the school’s Main Entry. The Main Entry leads directly to the school’s administrative and public spaces, such as the Multi-Purpose Room, Gymnasium, and Library. Bus students enter at the south side from the bus loading and event parking lot. Both the Main Entry and the Bus Entry are observable form a single location in the Commons. The Gymnasium is centered on the Athletic Fields and close to the Hockey Rink. The three-story classroom wing orients classrooms towards the southwest and Chugach Mountains. The service area is functional and out of public view.
Community use is encouraged by: separate after-hours access to the Gymnasium, space for
a future health clinic (if funded by the Municipality), and the Parent/Community Work
Center. The classroom wing can be secured from community use spaces after hours.

As a Conceptual Design developed, detailed cost, structural and condition analyses and
evaluations led to the conclusion that it was not cost effective to retain any of the existing
facility except for the Library. Following the Conceptual Design, a General
Contractor/Construction Manager (GC/CM) was retained to provide pre-construction
services. These services included: project constructability analysis, life cycle costing, and
cost benefit evaluations of building materials and systems in order to achieve the best value
for construction dollars expended. A constructability analysis of retaining the 1994 Library
estimated costs of: a) foundation shoring for protection from adjacent construction; b)
structural code upgrades; c) interior and exterior renovations; d) constraints of working
around a large site obstacle; and e) protection during construction. These cost estimates led
to a conclusion that it would be more expensive to save the 1994 Library than to demolish it.

Because it is an important part of Mountain View’s community, there has been an extensive
outreach effort to involve the community. This has included posting design meeting
notices at churches and businesses, and providing project information at community events.

**Districtwide Code/Hazmat/ADA/Sprinkler Projects**

Due to the age of the District’s facilities, there remains many asbestos-containing building
materials including flooring, pipe insulation, wallboards, insulated doors and fireproofing.
As this Environmental Protection Agency (EPA) controlled hazardous material deteriorates,
is uncovered or restricts construction or maintenance, it must be repaired, encapsulated or
removed to protect occupants and workers. Sprinkler systems at multiple locations require
renovation to maintain certification with the Fire Department. These concerns must be
acted upon in a timely manner to assure our buildings are safe and accessible for students,
staff and the general public. Two projects at King Career Center and West High School
will address deteriorating systems such as piping insulation and surface materials to assure
building occupant safety.

**Districtwide Roof Replacement and Repairs**

Replacement and repairs of roofs and roof structures as problem areas are identified in
multiple sites, including Campbell and Chugiak Elementary Schools and the Student
Transportation Building.

**Multi-School Security System Upgrades**

This will continue the Security System Upgrades project to install and/or upgrade security
systems and cameras in the following schools:

- Eagle River, North Star, Ocean View, Susitna, and Turnagain Elementary Schools;
- Hanshew and Romig Middle Schools
Emergency Communications Systems – High Schools

This project will provide intra and external radio communication repeaters to allow consistent communication among security personnel and First Responders (Police, SRO, and Security Specialists), at Dimond and East High Schools.

Districtwide Building Renewal Projects

Projects at Bayshore, Bear Valley, O’Malley Elementary and Hanshew Middle Schools, and King Career Center will reduce energy use through implementation of energy conservation measures with simple payback of under five (5) years. The Lake Otis Elementary School window project will upgrade the envelope with new energy efficient windows. These projects will provide electrical and boiler system improvement at Russian Jack, Scenic Park, Trailside, William Tyson, and Willow Crest Elementary Schools, completing the 21 Contingency Site Master Plan. Following renovation, these facilities will be prepared for local emergencies.

Districtwide Electrical Projects

Electrical projects that are part of this request include: fire alarm system upgrades; lighting replacement or upgrades; communications, and panel electrical upgrades. These projects are needed to assure a safe environment for students and staff, and to provide adequate, efficient lighting in areas currently lacking appropriate lighting. These projects will impact the following schools:

Klatt, Lake Otis, Mountain View, and Northwood Elementary Schools; Goldenview and Romig Middle Schools; and Benny Benson Alternative School.

Districtwide Mechanical Projects

Various heating/boiler systems need to be upgraded or replaced; ventilation controls need to be updated; various water and waste water systems and parts of systems need to be upgraded; other mechanical issues need to be addressed. These projects are important in providing basic heat, ventilation, and utility services to the facilities in the District, and will impact the following schools and facilities:

Abbott Loop, Aurora, Birchwood, Huffman, Inlet View, Mt. Iliamna, North Star O’Malley, Orion, Tudor, Turnagain, and Willowcrest Elementary Schools; Gruening and Romig Middle Schools; Bartlett, Chugiak, West High Schools; and the Warehouse.

Districtwide Traffic Safety Projects

Projects to upgrade traffic safety for students, staff, and visitors are needed in several schools. These include projects to separate bus loading from public traffic, installation of sidewalks and walking paths, and upgrade of bus loading areas. Projects at the following schools are included:

Abbott Loop, Chugiak, and Roger Park Elementary Schools.
The information that has been provided in this memorandum should assist the Assembly in making decisions regarding placing the recommended bond propositions on the ballot for the April 3, 2007 Municipal Election.

Respectfully submitted,

Carol Comeau
Superintendent

Attachment
February 6, 2007

Rachel Molina, Project Support Analyst
Anchorage School District
1301 Labar Street
Anchorage, AK 99515

Dear Ms. Molina:

This responds to your submittal of capital improvement project (CIP) applications, received February 1, 2007, requesting debt reimbursement approval for nine capital improvement projects under HB13. Following an allocation by the legislature for debt reimbursement, EED accomplishes two administrative actions. The first is to approve projects; the second is to authorize projects for bond indebtedness and reimbursement.

Project approval occurs when an eligible scope and budget have been defined. Project authorization occurs when certified election results are provided establishing voter approval, and a project agreement is signed. Based on these provisions the nine projects have been determined eligible in both scope and budget under AS 14.11.100(a)(16) and (17), and are approved as listed below pending voter approval and signed project agreements:

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Approved Reimbursement</th>
<th>Approved Reimbursement Rate</th>
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<tbody>
<tr>
<td>Clark Middle School Replacement</td>
<td>$65,000,000</td>
<td>60%</td>
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<tr>
<td>Districtwide Code/Hazardous Materials/ADA Projects</td>
<td>$1,265,000</td>
<td>70%</td>
</tr>
<tr>
<td>Districtwide Roof Replacement and Repairs</td>
<td>$1,950,000</td>
<td>70%</td>
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<td>Districtwide Security System Upgrades</td>
<td>$890,000</td>
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<tr>
<td>Emergency Communications Systems – 2 High Schools</td>
<td>$650,000</td>
<td>70%</td>
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<td>Districtwide Building Renewal Projects</td>
<td>$4,110,000</td>
<td>70%</td>
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<td>Districtwide Electrical Projects</td>
<td>$2,190,000</td>
<td>70%</td>
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<td>Districtwide Mechanical Projects</td>
<td>$5,845,000</td>
<td>70%</td>
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<tr>
<td>Traffic Safety Upgrades, 3 Elementary Schools</td>
<td>$3,100,000</td>
<td>70%</td>
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</tbody>
</table>
Draft project agreements for the approved projects will be prepared upon receipt of certified election results that establish voter approval of the projects.

Project approval expires November 30, 2008. If you have questions regarding this letter, contact me or Sam Kito III, Facilities Engineer, 465-6906.

Sincerely,

Eddy Jeans
Director

cc: Carol Comeau, Superintendent
    Ray Amsden, Facilities Director
    Janet Stokesbary, Chief Financial Officer
Subject of Agenda Document: AO 2006-180(S) An Ordinance Providing For The Submission To The Qualified Voters Of Anchorage, Alaska, The Question Of The Issuance Of Not To Exceed Sixty-Five Million Dollars ($65,000,000) Of General Obligation Bonds Of The Municipality

Date Prepared: February 8, 2007

Indicate Documents Attached: X AO(S) □ AR □ AM(A) □ AIM

Department Name: Chief Financial Officer

Director's Name: Janet Stokesbary

The Person the Document was Actually Prepared By: K&L Preston Gates Ellis LLP

His/Her Phone Number: (907) 742-4369

Coordinated With and Reviewed By:

<table>
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<th>Mayor</th>
<th>Heritage Land Bank</th>
<th>Merrill Field Airport</th>
<th>Municipal Light &amp; Power</th>
<th>Port of Anchorage</th>
<th>Solid Waste Services</th>
<th>Water &amp; Wastewater Utility</th>
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<tr>
<td>Other</td>
<td>Carol Comeau, Superintendent</td>
<td>Janet Stokesbary, Chief Financial Officer</td>
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</tr>
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</table>

Special Instructions/Comments:

Assembly Hearing Date Requested: Introduction - December 19, 2006

Public Hearing Date Requested: February 13, 2007