MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-29


WHEREAS, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire and equip certain public safety vehicles, emergency signal system, radio communications, transit fleet and transportation systems, and

WHEREAS, the Assembly of the Municipality have identified necessary public safety and transportation improvement projects with Municipality; and

WHEREAS, in order to provide funds to perform the necessary acquisitions, upgrades and improvements as further described in Section 1 of this ordinance (the "Projects"), 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 Municipality is in need of mobile intensive care units, areawide radio communication system upgrades, emergency signal system preempt program, replacement of people mover vehicles, transit fleet and facility improvements, and related capital improvements (the “Projects”). The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Municipality require the Municipality to undertake the Projects at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Projects, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be $5,700,000.

The Projects are described in more detail in the attachment to the Assembly Memorandum accompanying this ordinance. The cost of all necessary planning, acquisition of property for, site preparation, construction, installing and equipping of the Projects, architectural, engineering, design, and other consulting services, inspection and testing, administrative expenses, costs of issuance of the Bonds (hereinafter defined) and other costs incurred in connection with the Projects shall be deemed to be costs of the approved Projects. The approved Projects may be completed with all necessary equipment and appurtenances.

The Municipality shall determine the application of available moneys as between the various Projects so as to accomplish, as nearly as may be, all of the Projects described or provided for in this section.

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

If the approved Projects have been completed in whole or in part, or their completion duly provided for, or their completion found to be impractical, the Municipality may apply Bond proceeds or any portion thereof to other Municipality public safety and transportation capital improvements at its sole discretion. Otherwise, the Municipality shall apply such remaining proceeds 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 Municipality legally available, are insufficient to accomplish the approved Projects, the Municipality shall use the available funds for paying the cost of those portions of the approved Projects deemed by the Municipality most necessary and in the best interest of the Municipality.

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 Projects, which are 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 Five Million Seven Hundred Thousand Dollars ($5,700,000) (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 from date of issue. The Bonds shall be issued in an aggregate principal amount of not to exceed $5,700,000. 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 approved Projects at the regular municipal election to be
held on April 3, 2007.

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 an areawide 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. ___

AREAWIDE PUBLIC SAFETY AND
TRANSPORTATION CAPITAL IMPROVEMENT BONDS

For the purpose of providing public safety upgrades, including
acquisition of ambulances, areawide communication upgrades,
emergency signal system preemption and public transportation
vehicles and related capital improvements, shall Anchorage issue
up to $5,700,000 in principal amount of general obligation bonds
and increase the municipal tax cap by an amount not to exceed
$30,000 $200,000 to pay annual operations and maintenance costs?
The proposed capital improvements would be located within
Anchorage.
Voter approval of this bond proposition authorizes for each $100,000 of assessed taxable property value (based on the estimated total 2007 areawide assessed valuation in Anchorage) (i) an annual increase in taxes of approximately $1.60 to retire the proposed bonds, and (ii) an annual increase in the Municipal Tax Cap (Charter 14.03(b)(2)) of approximately $0.10 50.68 to pay for annual operations and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected areawide within Anchorage. Anchorage will also pledge its full faith and credit for payment of the bonds.

(No. AO 2007-__)

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
MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-29


Prepared by

K&L PRESTON GATES ELLIS LLP
MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-29

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<td>Submission of Question to Voters</td>
<td>5</td>
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<tr>
<td>Section 5.</td>
<td>Effective Dates</td>
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</table>
MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2007-29  Title: $5,700,000 - Public Safety and Transportation Improvements
Sponsor:
Preparing Agency: Public Finance and Investments
Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:  (Thousands of Dollars)

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<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
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<td>Operating Expenditures</td>
<td></td>
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<td>1000 Personal Services</td>
<td></td>
<td></td>
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<tr>
<td>2000 Supplies</td>
<td></td>
<td></td>
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<tr>
<td>3000 Other Services</td>
<td>0</td>
<td>30</td>
<td>30</td>
<td>30</td>
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<td>4000 Debt Service</td>
<td>0</td>
<td>467</td>
<td>467</td>
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<td>467</td>
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<td>5000 Capital Outlay</td>
<td></td>
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<td><strong>TOTAL DIRECT COSTS:</strong></td>
<td>0</td>
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<td><strong>ADD:</strong> 6000 Charge from Others</td>
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<td><strong>LESS:</strong> 7000 Charge to Others</td>
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FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of 467,400 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed of 5 to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at $30,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately 467,400 equate to an estimated property tax increase of .0160 mills or $1.60 per year on $100,000 of assessed valuation for Public Safety and Transportation.

When fully operational, increased annual operations and maintenance costs are estimated at $30,000 and equate to an estimated property tax increase of .0010 mills or $0.10 per year on $100,000 of assessed valuation for Public Safety and Transportation.

The total private sector economic effect would therefore be the increase in the Municipal tax cap limitation related to the payment of debt service and operations and maintenance costs as shown above for a total of $1.70 per $100,000 of assessed valuation for Public Safety and Transportation.

SEE 2007 Public Safety Prop
From: Mayor

Subject: An Ordinance for the Qualified Voters of Anchorage, Alaska in the Amount of $5,700,000 of General Obligation Bonds for Public Safety and Transportation Improvements

The attached ordinance will place a $5,700,000 general obligation bond proposition for Public Safety and Transportation Improvements on the ballot for the regular Municipal election to be held on April 3, 2007.

The administration recommends scheduling a public hearing for this bond ordinance on February 13, 2007.

The 2007 Public Safety and Transportation bond will implement the priorities established in the recently approved 2007-2012 Capital Improvement Program. The bond focuses on public safety upgrades, including acquisition of ambulances, areawide communication upgrades, and emergency transportation vehicles and related capital improvements.

THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE PROPOSED ORDINANCE PLACING THE PUBLIC SAFETY AND TRANSPORTATION BOND PROPOSITION ON THE APRIL 3, 2007 BALLOT.

Prepared by: Jeffrey E. Sinz, Chief Fiscal Officer
Concurrence: Janet L. Mitson, Office of Management & Budget
Concurrence: Denis C. LeBlanc, Municipal Manger
Respectfully submitted: Mark Begich, Mayor
**Municipality of Anchorage**

**DETAILED LIST OF 2007 BOND PROJECTS**

**BY SERVICE AREA**

<table>
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<tr>
<th>PROJECT TITLE</th>
<th>G O Bonds</th>
<th>State</th>
<th>Federal</th>
<th>Other Funds</th>
<th>Total Project</th>
<th>Debt Service</th>
<th>O &amp; M</th>
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<td></td>
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<td>AMBULANCES-REPLACE (4) MOBILE INTENSIVE CARE UNITS</td>
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<td>$0</td>
<td>$0</td>
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<td>AREAWIDE RADIO COMMUNICATIONS SYSTEM</td>
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<td>$1,000</td>
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<td>$4,500</td>
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<td>EMERGENCY SIGNAL SYSTEM PREEMPT PROGRAM</td>
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<td>$0</td>
<td>$1,250</td>
<td>$24.6</td>
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<td>REPLACE ANCHORIDES AND PEOPLEMOWER VEHICLES</td>
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<td>$2,569</td>
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<td>$6,468</td>
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<td>TRANSIT FLEET &amp; FACILITY IMPROVEMENTS</td>
<td>$549</td>
<td>$0</td>
<td>$262</td>
<td>$0</td>
<td>$811</td>
<td>$45.0</td>
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<td><strong>TOTAL, Areawide - Public Safety &amp; Transportation</strong></td>
<td>$5,700</td>
<td>$3,519</td>
<td>$4,810</td>
<td>$0</td>
<td>$14,029</td>
<td>$467.4</td>
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*It is the expectation of the Municipality of Anchorage that the general obligation bonds proposed for April 2007 will be used to make capital improvements to facilities in each service area noted. Project details describe how MOA expects to use the bond proceeds. However, as project development progresses, changes in scope, project feasibility, phasing, timeline, or estimated costs may occur that result in acceleration, delay, or substitution of projects.*
Content Information

Content ID: 004755
Type: Ordinance - AO
Title: An Ordinance for the Qualified Voters of Anchorage in the Amount of $5,700,000 of G.O. Bonds for Public Safety & Transporation Improvements, Finance
Author: pruittns
Initiating Dept: Finance
Keywords: Proposition, General Obligation, Bonds, Public Safety, Transporation
Date Prepared: 1/19/07 12:09 PM
Director Name: Jeffrey E. Sinz
Assembly Meeting Date MM/DD/YY: 1/30/07
Public Hearing Date MM/DD/YY: 2/13/07

Workflow History

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