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CLERK'S OFFICE  
**AMENDED AND APPROVED**  
Date: 2-3-09

Requested by: Chair of the Assembly at the  
Request of the Acting Mayor  
Prepared by: Cynthia M. Weed, Bond Counsel  
K&L PRESTON GATES ELLIS LLP  
For Reading: January 20, 2009

**MUNICIPALITY OF ANCHORAGE**  
**ORDINANCE No. AO 2009-10**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-THREE MILLION NINE HUNDRED THOUSAND DOLLARS (\$43,900,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009.

**WHEREAS**, the best interest of the citizens and property owners in the Anchorage Roads and Drainage Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire, construct, renovate, upgrade and undertake certain road improvements, roadway safety improvements, storm collection drainage and treatment improvements and related capital improvements; and

**WHEREAS**, the Assembly of the Municipality have identified necessary capital acquisitions, construction, renovations, upgrades and improvements within the Anchorage Roads and Drainage Service Area; and

**WHEREAS**, in order to provide funds to perform the necessary acquisitions, construction, renovations, 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 ANCHORAGE ASSEMBLY ORDAINS:**

1 **Section 1.** Purpose. The Assembly hereby determines that the roads and storm  
2 drainage within the Anchorage Roads and Drainage Service Area are in need of capital  
3 acquisitions, construction, renovation, upgrades and improvements (the "Projects"). The  
4 Assembly of the Municipality hereby determines that the best interest of the residents and  
5 property owners within the Anchorage Roads and Drainage Service Area require the  
6 Municipality to undertake the Projects at the time and in the order and in the manner  
7 deemed most necessary and advisable by the Municipality. The estimated cost of the  
8 Projects, including incidental costs and costs related to issuing and selling the Bonds as  
9 provided in this ordinance, is estimated to be \$34,225,000~~43,900,000~~.

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

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

21 If the Municipality shall determine that it has become impractical to accomplish  
22 any portion of the approved Projects by reason of changed conditions or needs,  
23 incompatible development or costs substantially in excess of those estimated, the

1 Municipality shall not be required to accomplish such portions and shall apply Bond  
2 proceeds as set forth in this section.

3 If the approved Projects have been completed in whole or in part, or their  
4 completion duly provided for, or their completion found to be impractical, the  
5 Municipality may apply Bond proceeds or any portion thereof to other Municipality road  
6 and storm drainage capital improvements at its sole discretion. Otherwise, the  
7 Municipality shall apply such remaining proceeds solely to payment of principal or interest  
8 on the Bonds, as provided in the Home Rule Charter. In the event that the proceeds of sale  
9 of the Bonds, plus any other monies of the Municipality legally available, are insufficient  
10 to accomplish the approved Projects, the Municipality shall use the available funds for  
11 paying the cost of those portions of the approved Projects deemed by the Municipality  
12 most necessary and in the best interest of the Municipality. No Bond proceeds shall be  
13 used for any purpose other than a capital improvement.

14 For the purpose of providing funds for the undertaking of the Projects, which are  
15 hereby found to be a public purpose and in the public interest, the Municipality hereby  
16 proposes to issue general obligation bonded indebtedness in an amount not to exceed  
17 ~~Forty-Three~~Thirty-Four Million ~~Nine~~Two Hundred ~~Twenty-Five Thousand Dollars  
18 (~~\$34,225,000~~43,900,000) (the "Bonds").~~

19 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at such  
20 time or times as deemed necessary and advisable by the Assembly and as permitted by law  
21 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in  
22 an aggregate principal amount of not to exceed ~~\$34,225,000~~43,900,000. The Bonds shall  
23 bear interest to be fixed at the time of sale or sales thereof. The exact form, terms,

1 conditions, contents, security, options of redemption, and such other matters relating to the  
2 issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly  
3 shall be as hereinafter determined and/or delegated by ordinance and/or resolution of the  
4 Assembly.

5 The full faith and credit of the Municipality is pledged for the payment of the  
6 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in  
7 the Municipality shall be levied without limitation as to rate or amount to pay the principal  
8 and interest on the Bonds when due. The principal of and interest on the Bonds are to be  
9 paid first from ad valorem taxes levied and collected within the Anchorage Roads and  
10 Drainage Service Area.

11 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified electors  
12 of the Municipality the proposition of whether or not the Municipality should issue the  
13 Bonds for the purpose of financing the costs of the approved Projects at the regular  
14 municipal election to be held on April 7, 2009.

15 The Clerk shall prepare the ballot proposition to be submitted to the voters as  
16 provided by this ordinance and the Municipal Code and shall perform all necessary steps in  
17 accordance with law to place this proposition before the voters at the regular election. The  
18 proposition must receive a majority vote of those in the Municipality voting, both in the  
19 Anchorage Roads and Drainage Service Area and areawide, on the question to be  
20 approved. The proposition shall be substantially in the following form:

1 PROPOSITION NO. \_\_\_\_\_  
2

3 ANCHORAGE ROADS AND DRAINAGE SERVICE  
4 AREA ROAD AND STORM DRAINAGE BONDS  
5

6 For the purpose of providing roads and storm drainage  
7 capital acquisition, construction, renovation, upgrades and  
8 related capital improvements, shall Anchorage borrow  
9 money and issue up to ~~\$34,225,000~~43,900,000 in principal  
10 amount of general obligation bonds and increase the  
11 municipal tax cap by an annual amount not to exceed  
12 ~~\$558,000~~735,000 to pay the associated annual operations and  
13 maintenance costs? The proposed capital improvements  
14 would be located within the Anchorage Roads and Drainage  
15 Service Area.  
16

17 Voter approval of this bond proposition authorizes for each  
18 \$100,000 of assessed taxable property value (based on the  
19 estimated 2009 assessed valuation in the Anchorage Roads  
20 and Drainage Service Area): (i) an annual increase in taxes  
21 of approximately ~~\$14.79~~11.53 to retire the proposed bonds,  
22 and (ii) an annual increase necessary to fund the proposed  
23 increase in the municipal tax cap (Charter 14.03(b)(2)) of  
24 approximately ~~\$2.96~~2.25 to pay for annual operations and  
25 maintenance costs related to the proposed capital  
26 improvements.  
27

28 The debt shall be paid from real and personal property taxes  
29 levied and collected within the Anchorage Roads and  
30 Drainage Service Area. Anchorage will also pledge its full  
31 faith and credit for payment of the debt.  
32

33 (No. AO 2009-10)

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

38 PROPOSITION NO. \_\_\_\_\_

BONDS, YES

39 BONDS, NO

1 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective only if  
2 the proposition described in Section 3 is approved by a majority of the qualified voters  
3 voting on the proposition at the regular election held on April 7, 2009. The remaining  
4 sections of this ordinance shall become effective upon passage and approval.

5 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 31<sup>st</sup>  
6 day of February, 2009.

7  
8  
9 By   
10 Chair of the Assembly

11 ATTEST:

12   
13  
14 Municipal Clerk  
15  
16

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. AO 2009-10

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-THREE MILLION NINE HUNDRED THOUSAND DOLLARS (\$43,900,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009.

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Prepared by

K&L PRESTON GATES ELLIS LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. AO 2009-10**

**TABLE OF CONTENTS\***

	<b>Page</b>
Section 1. Purpose.....	2
Section 2. Details of Bonds.....	3
Section 3. Ballot Proposition .....	4
Section 4. Submission of Question to Voters .....	5
Section 5. Effective Dates .....	6

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\* This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this ordinance.



**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2009-10      Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-THREE MILLION NINE HUNDRED THOUSAND DOLLARS (\$43,900,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009

Sponsor: Acting Mayor  
 Preparing Agency: Finance  
 Others Impacted: ARDSA

**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)

	FY09	FY10	FY11	FY12	FY13
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	735	735	735	735	735
4000 Debt Service	3,674	3,674	3,674	3,674	3,674
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>4,409</b>	<b>4,409</b>	<b>4,409</b>	<b>4,409</b>	<b>4,409</b>

ADD: 6000 Charge from Others  
 LESS: 7000 Charge to Others

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$3,673,523 assumes bonds are sold as a package @ 5.50% interest, with bond repayments corresponding to the expected life of the assets financed up to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$735,000.

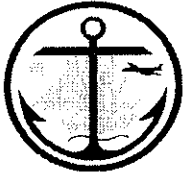
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**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$3,673,523 equate to an estimated property tax increase of 0.1479 mills or \$14.79 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$735,000 and equate to an estimated property tax increase of 0.0296 mills or \$2.96 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.

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 \$17.75 per \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 48-2009

Meeting Date: January 20, 2009

1 **From:** Acting Mayor

2  
3 **Subject:** AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE  
4 QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF  
5 THE ISSUANCE OF NOT TO EXCEED FORTY-THREE MILLION NINE  
6 HUNDRED THOUSAND DOLLARS (\$43,900,000) OF GENERAL  
7 OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO  
8 PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED  
9 CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN  
10 THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED  
11 OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE  
12 ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE  
13 HELD IN THE MUNICIPALITY ON APRIL 7, 2009

14  
15 The attached ordinance will place a general obligation bond proposition for the  
16 Anchorage Roads and Drainage Service Area (ARDSA) on the ballot for the regular  
17 Municipal election to be held on April 7, 2009.

18  
19 The administration recommends scheduling a public hearing for this bond ordinance on  
20 February 3, 2009.

21  
22 The 2009 ARDSA road bond will implement the priorities established in the recently  
23 approved 2009-2014 Capital Improvement Program. The bond provides funds for  
24 reduced traffic congestion, improves public safety, promotes economic development,  
25 and addresses rehabilitation needs on deteriorating collector and arterial streets.

26  
27 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
28 APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE ROADS  
29 AND DRAINAGE SERVICE AREA BOND PROPOSITION ON THE APRIL 7, 2009  
30 BALLOT.

31  
32 Prepared by: Sharon Weddleton, CFO  
33 Concurrence: Wanda Phillips, Office of Management & Budget  
34 Concurrence: James N. Reeves, Municipal Attorney  
35 Concurrence: Michael K. Abbott, Municipal Manger  
36 Respectfully submitted: Matt Claman, Acting Mayor

# 2009 ARDSA Bond

CLERK'S OFFICE  
**AMENDED AND APPROVED**  
 Date: 2-3-09

Project Name	2009 Bond	O&M
	\$000s	
<b>Roadway Projects</b>		
11th Ct Upgrade -Muldoon Rd to Boston St	100	12
40th Ave Extension - Lake Otis Pkwy to Dale St	2,500	
6th Ave Reconstruction - Patterson St to Muldoon Rd	3,800	79
76th Ave Reconstruction - Chad St to C St	6,700	69
9th Ave Reconstruction - L St to Cordova St	1,000 <del>525</del> 2,000	137 <del>96</del>
Academy Dr/Vanguard Upgrade - Brayton Dr to Abbott Rd	300	
Arctic Blvd Reconstruction Phase III - 36th Ave to Tudor Rd	200	
ARDSA Road and Drainage System Rehab	600	
E St Corridor Enhancements Phase II - 2nd Ave to 4th/5th Alley	0	
Edward St Upgrade - 6th Ave to DeBarr Rd	4,000	70
Leawood Dr/Roy St Road Reconstruction RID	2,600	3
Local Road RID Reconstruction and Upgrades	200	
Pavement Rehab Matching Program	2,400	
Pioneer Dr Upgrade - Muldoon Rd to Resurrection Dr	100	
Recycled Asphalt Pavement (RAP) and Chip Seal Upgrades	1,400	
Spenard Rd Reconstruction - Chester Creek South to <del>Firewood Ln</del> <b>Hillcrest</b>	2,500 <del>3,000</del>	83 <del>51</del>
<b>Traffic Department Projects</b>		
Anchorage Signal System, Signage, and Safety Improvements	500	20
Intersection and Traffic Safety Matching Program	1,000	45
Traffic Calming and Safety Improvements	475 <del>950</del>	85 <del>47</del>
<b>Safety Projects</b>		
ADA Improvements	200	20
Arctic Blvd Right Turn Lane at Tudor Rd	250	8
ARDSA Street Light LED Energy Conservation Upgrades	500	
Klatt Rd at C St Intersection Safety	150	
Pedestrian Safety and Rehab Matching Program	500	25
<b>Drainage Projects</b>		
Flooding/Glaciation/Drainage Matching Program	1,000	
Gambell St Drainage and Paving - Klatt Rd to 112th Ave	420	11
Kloop Station Water Quality	800	25
Old Seward Hwy/International Airport Rd Storm	500	5
Pine St/4th Ave Area Storm Reconstruction - DeBarr Rd to Boniface Pkwy	500	
Riveria Terrace Area Drainage	180	5
Water Quality and Creek Restoration Improvements	350	
<b>Miscellaneous Projects</b>		
Street Maintenance Vehicle Maintenance Facility	3,700	15
<b>Total</b>	<b>43,900</b>	<b>735</b>
	<b>34,225</b>	<b>558</b>

**Content ID:** 007311**Type:** Ordinance - AO**Title:** An Ordinance Providing for the Submission to the Voters of Anchorage, the Question of the Issuance of NTE \$43,900,000 of G.O. Bonds to Pay the costs of Road, Storm Drainage & Related Capital Improvements in the Anchorage Roads & Drainage Service Area, Finance**Author:** maglaquijp**Initiating Dept:** Finance**Keywords:** ARDSA, Election, G.O. Bonds, \$43,900,000**Date Prepared:** 1/16/09 9:44 AM**Director Name:** Sharon Weddleton**Assembly****Meeting Date** 1/20/09**MM/DD/YY:****Public Hearing**  
**Date:** 2/3/09

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	1/16/09 12:20 PM	Exit	Joy Maglaqui	Public	007311
MuniMgrCoord_SubWorkflow	1/16/09 12:20 PM	Approve	Joy Maglaqui	Public	007311
MuniManager_SubWorkflow	1/16/09 12:20 PM	Approve	Joy Maglaqui	Public	007311
MuniManager_SubWorkflow	1/16/09 12:20 PM	Checkin	Joy Maglaqui	Public	007311
Legal_SubWorkflow	1/16/09 11:45 AM	Approve	Rhonda Westover	Public	007311
OMB_SubWorkflow	1/16/09 11:20 AM	Approve	Wanda Phillips	Public	007311
Finance_SubWorkflow	1/16/09 9:52 AM	Approve	Sharon Weddleton	Public	007311
AllOrdinanceWorkflow	1/16/09 9:48 AM	Checkin	Nina Pruitt	Public	007311

*R. D. Anderson*

CONSENT AGENDA - INTRODUCTION