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CLERK'S OFFICE
APPROVED

Date: 2-2-10

Requested by: Chair of the Assembly at
the Request of the Mayor
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L GATES LLP
For Reading: January 19, 2010

MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2010-5

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.

WHEREAS, the best interest of the citizens and property owners in the Anchorage Fire Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire replacement fire engines (the "Project"); and

WHEREAS, in order to provide financing for the acquisition of such Project, it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed \$1,150,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Anchorage Fire Service Area require the Municipality to acquire replacement fire engines at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Project, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be \$1,150,000.

The Project is described in more detail in the attachment to the Assembly Memorandum accompanying this ordinance. The cost of all necessary consulting services, inspection and testing, administrative expenses, and costs of issuance of the Bonds (hereinafter defined) and other costs incurred in connection with the acquisition of the Project shall be deemed to be costs of the approved Project.

The Assembly shall determine the application of available moneys for the Project so as to acquire, as nearly as may be, all of the Project described or

1 provided for in this section.
2

3 If the Assembly shall determine that it has become impractical to acquire
4 any portion of the approved Project by reason of changed conditions or needs, or
5 costs substantially in excess of those estimated, the Assembly shall not be
6 required to accomplish such portions and shall apply Bond proceeds as set forth in
7 this section.
8

9 If all of the approved Project has been acquired and duly provided for, or
10 found to be impractical, the Assembly may apply Bond proceeds or any portion
11 thereof to other Municipality fire service capital improvements at its sole discretion.
12 Otherwise, the Municipality shall apply such remaining proceeds solely to payment
13 of principal or interest on the Bonds, as provided in the Home Rule Charter. In the
14 event that the proceeds of sale of the Bonds, plus any other monies of the
15 Municipality legally available, are insufficient to acquire the approved Project, the
16 Assembly shall use the available funds for paying the cost of those portions of the
17 approved Project deemed by the Municipality most necessary and in the best
18 interest of the Municipality. No Bond proceeds shall be used for any purpose
19 other than a capital improvement.
20

21 For the purpose of providing funds for the acquisition of the Project, which
22 is hereby found to be a public purpose and in the public interest, the Municipality
23 hereby proposes to issue general obligation bonded indebtedness in an amount
24 not to exceed One Million One Hundred Fifty Thousand Dollars (\$1,150,000) (the
25 "Bonds").
26

27 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at
28 such time or times as deemed necessary and advisable by the Assembly and as
29 permitted by law and shall mature over a period of up to 20 years from date of
30 issue. The Bonds shall be issued in an aggregate principal amount of not to
31 exceed \$1,150,000. The Bonds shall bear interest to be fixed at the time of sale or
32 sales thereof. The exact form, terms, conditions, contents, security, options of
33 redemption, and such other matters relating to the issuance and sale of said
34 Bonds as are deemed necessary and advisable by the Assembly shall be as
35 hereinafter determined and/or delegated by ordinance and/or resolution of the
36 Assembly.
37

38 The full faith and credit of the Municipality is pledged for the payment of the
39 principal of and interest on the Bonds, and ad valorem taxes upon all taxable
40 property in the Municipality shall be levied without limitation as to rate or amount to
41 pay the principal and interest on the Bonds when due. The principal of and
42 interest on the Bonds are to be paid first from ad valorem taxes levied and
43 collected within the Anchorage Fire Service Area.

1 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
2 electors of the Municipality the proposition of whether or not the Municipality
3 should issue the Bonds for the purpose of financing the costs of the approved
4 Project at the regular municipal election to be held on April 6, 2010.
5

6 The Clerk shall prepare the ballot proposition to be submitted to the voters
7 as provided by this ordinance and the Municipal Code and shall perform all
8 necessary steps in accordance with law to place this proposition before the voters
9 at the regular election. The proposition must receive a majority vote of those in
10 the Municipality voting, both in the Anchorage Fire Service Area and areawide, on
11 the question to be approved. The proposition shall be substantially in the following
12 form:

13 PROPOSITION NO. _____

14
15 ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION BONDS

16
17 For the purpose of providing fire protection capital
18 improvements and undertaking other related capital
19 improvements as provided in Ordinance
20 No. AO 2010-___ in the Anchorage Fire Service Area,
21 shall Anchorage borrow money and issue up to
22 \$1,150,000 in principal amount of general obligation
23 bonds?
24

25 Voter approval of this bond proposition authorizes for
26 each \$100,000 of assessed taxable property value
27 (based on the estimated 2010 assessed valuation in
28 the Anchorage Fire Service Area): an annual increase
29 in taxes of approximately \$0.31 to retire the proposed
30 bonds.
31

32 The debt shall be paid from real and personal property
33 taxes levied and collected within the Anchorage Fire
34 Service Area. Anchorage will also pledge its full faith
35 and credit for payment of the bonds.
36

37 (No. AO 2010-___)
38

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

6 PROPOSITION NO. _____

BONDS, YES

BONDS, NO

7
8
9 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective
10 only if the proposition described in Section 3 is approved by a majority of the
11 qualified voters voting on the proposition at the regular election held on April 6,
12 2010. The remaining sections of this ordinance shall become effective upon
13 passage and approval.

14
15 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
16 2nd day of February, 2010.

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By 

Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2010-5

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2010-5**

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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: 2010-5

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.

Sponsor: Mayor
 Preparing Agency: Finance
 Others Impacted: Fire Department

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY10	FY11	FY12	FY13	FY14
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	45	90	90	90	90
5000 Capital Outlay					
TOTAL DIRECT COSTS:	45	90	90	90	90

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 \$90,333 assumes bonds are sold as a package @ 4.75% interest, with bond repayments corresponding to the expected life of the assets financed over 5 to 20 years.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$90,333 equate to an estimated property tax increase of .0031 mills or \$0.31 per year on \$100,000 of assessed valuation in the Anchorage Fire 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 as shown above for a total of \$0.31 per \$100,000 of assessed valuation in the Anchorage Fire Service Area.



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 40- 2010(A)

Meeting Date: January 19, 2010

1 **From:** 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 ONE MILLION ONE HUNDRED
6 FIFTY THOUSAND DOLLARS (\$1,150,000) OF GENERAL OBLIGATION
7 BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE
8 COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE
9 ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD
10 IN THE MUNICIPALITY ON APRIL 6, 2010.

11
12 The attached ordinance will place a general obligation bond proposition for the
13 Anchorage Fire Service Area on the ballot for the regular Municipal election to be held
14 on April 6, 2010.

15
16 The Administration recommends scheduling a public hearing for this bond ordinance on
17 February 2, 2010.

18
19 The Anchorage Fire Service Area bond will implement the priorities established in the
20 recently approved 2010-2015 Capital Improvement Program. The bond provides funds
21 for the purpose of acquiring replacement fire engines according to the Anchorage Fire
22 Department apparatus replacement schedule within the Anchorage Fire Service Area.
23 Please see the attached project list.

24
25 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY
26 APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE FIRE
27 SERVICE AREA BOND PROPOSITION ON THE APRIL 6, 2010 BALLOT.

28
29 Prepared by: Lucinda Mahoney, CFO
30 Concurrence: Cheryl Frasca, Office of Management & Budget
31 Concurrence: Dennis A. Wheeler, Municipal Attorney
32 Concurrence: George J. Vakalis, Municipal Manager
33 Respectfully submitted: Daniel A. Sullivan, Mayor

2010 ANCHORAGE FIRE BOND

Project Name	Estimated Life	2010 Bond	O&M
Anchorage Fire Projects		\$000s	
REPLACEMENT FIRE ENGINES: FIRST LINE RESPONSE (AFD)	10-15 Yrs.	1,150	-
	Total	1,150	-

Content ID: 008591**Type:** Ordinance - AO

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED ONE MILLION ONE HUNDRED FIFTY THOUSAND

Title: MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.

Author: maglaquijp**Initiating Dept:** Finance**Keywords:** G.O. Bonds, Fire Bond, Anchorage Fire Project, Fire Service Area, \$1,150,000**Date Prepared:** 1/7/10 4:43 PM**Director Name:** Lucinda Mahoney**Assembly Meeting Date:** 1/19/10**Public Hearing Date:** 2/2/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/8/10 12:29 PM	Exit	Joy Maglaqui	Public	008591
MuniManager_SubWorkflow	1/8/10 12:29 PM	Approve	Joy Maglaqui	Public	008591
MuniManager_SubWorkflow	1/8/10 12:28 PM	Checkin	Joy Maglaqui	Public	008591
MuniManager_SubWorkflow	1/8/10 12:26 PM	Checkin	Joy Maglaqui	Public	008591
Legal_SubWorkflow	1/8/10 12:20 PM	Approve	Rhonda Westover	Public	008591
OMB_SubWorkflow	1/8/10 12:09 PM	Approve	Cheryl Frasca	Public	008591
Finance_SubWorkflow	1/8/10 11:30 AM	Approve	Lucinda Mahoney	Public	008591
AllOrdinanceWorkflow	1/7/10 4:49 PM	Checkin	Nina Pruitt	Public	008591