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2 CLERK'S OFFICE

3 **APPROVED**

4  
5 Date: 2-1-11

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 18, 2011

6  
7  
8 **MUNICIPALITY OF ANCHORAGE**  
9 **ORDINANCE No. 2011-13**

10  
11 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
12 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF  
13 NOT TO EXCEED ONE MILLION ONE HUNDRED FIFTY THOUSAND  
14 DOLLARS (\$1,150,000) OF GENERAL OBLIGATION BONDS OF THE  
15 MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION  
16 CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AT  
17 THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

18  
19 **WHEREAS**, the best interest of the citizens and property owners in the Anchorage  
20 Fire Service Area serving the Municipality of Anchorage, Alaska (the  
21 "Municipality") require the Municipality to acquire a replacement ladder truck (the  
22 "Project"); and

23  
24 **WHEREAS**, in order to provide financing for the acquisition of such Project, it is  
25 deemed necessary and advisable that the Municipality issue and sell its general  
26 obligation bonds in the principal amount of not to exceed \$1,150,000 (the  
27 "Bonds"); now, therefore,

28  
29 **THE ANCHORAGE ASSEMBLY ORDAINS:**

30  
31 **Section 1. Purpose.** The Assembly of the Municipality hereby determines that  
32 the best interest of the residents and property owners within the Anchorage Fire  
33 Service Area require the Municipality to acquire a replacement ladder truck at the  
34 time and in the order and in the manner deemed most necessary and advisable by  
35 the Municipality. The estimated cost of the Project, including incidental costs and  
36 costs related to issuing and selling the Bonds as provided in this ordinance, is  
37 estimated to be \$1,150,000.

38  
39 The Project is described in more detail in the attachment to the Assembly  
40 Memorandum accompanying this ordinance. The cost of all necessary consulting  
41 services, inspection and testing, administrative expenses, and costs of issuance of  
42 the Bonds (hereinafter defined) and other costs incurred in connection with the  
43 acquisition of the Project shall be deemed to be costs of the approved Project.

44  
45 The Assembly shall determine the application of available moneys for the  
46 Project so as to acquire, as nearly as may be, all of the Project described or  
47 provided for in this section.

1  
2 If the Assembly shall determine that it has become impractical to acquire  
3 any portion of the approved Project by reason of changed conditions or needs, or  
4 costs substantially in excess of those estimated, the Assembly shall not be  
5 required to accomplish such portions and shall apply Bond proceeds as set forth in  
6 this section.  
7

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

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

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

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

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 5, 2011.  
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 acquiring a replacement ladder  
18 truck and undertaking other related capital  
19 improvements as provided in Ordinance  
20 No. AO 2011-\_\_\_ 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 with no increase in the municipal tax cap  
24 required to pay the associated annual operations and  
25 maintenance costs?

26  
27 Voter approval of this bond proposition authorizes for  
28 each \$100,000 of assessed taxable property value  
29 (based on the estimated 2011 assessed valuation in  
30 the Anchorage Fire Service Area): an annual increase  
31 in taxes of approximately \$.31 to retire the proposed  
32 bonds.

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

38  
39 (No. AO 2011-\_\_\_)  
40

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:

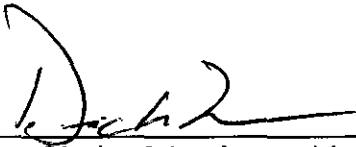
6 PROPOSITION NO. \_\_\_\_\_

BONDS, YES


7 BONDS, NO

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 5,  
12 2011. 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 1<sup>st</sup> day of February, 2011.

17  
18  
19  
20 By   
21 \_\_\_\_\_  
22 Chair of the Assembly

22 ATTEST:

23  
24   
25 \_\_\_\_\_  
26 Municipal Clerk  
27

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2011-13

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 5, 2011.

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Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2011-13**

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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: 2011-13    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 5, 2011.

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

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

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	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service		92	92	92	92
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>		92	92	92	92
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
<b>FUNCTION COST:</b>					
<b>REVENUES:</b>					
<b>CAPITAL:</b>					
<b>POSITIONS:</b> FT/PT and Temp.					

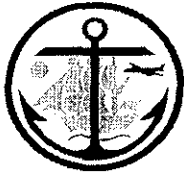
**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$92,279 assumes bonds are sold as a package @ 5.0% interest, with bond repayments corresponding to the expected life of the assets financed up to 20 years.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$92,279 equate to an estimated property tax increase of 0.0031 mills or \$ .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 and operations and maintenance costs as shown above for a total of \$ .31 per \$100,000 of assessed valuation in the Anchorage Fire Service Area.



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 56-2011

Meeting Date: January 18, 2011

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**  
7 **OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO**  
8 **PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS**  
9 **IN THE ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO**  
10 **BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.**

11  
12 This ordinance places a general obligation bond proposition for the Anchorage Fire  
13 Service Area on the ballot for the regular Municipal election to be held on April 5, 2011.  
14 The Anchorage Fire Service Area bond implements the priorities established in the  
15 recently approved 2011-2016 Capital Improvement Program. The bond provides funds  
16 for the purpose of paying the costs of acquiring property for replacement of a ladder  
17 truck and related capital improvements within the Anchorage Fire Service Area. See  
18 2011 Bond Project List, attached as **Exhibit A**.

19  
20 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**  
21 **PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF**  
22 **ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED**  
23 **ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000) OF**  
24 **GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO**  
25 **PAY THE COSTS OF FIRE PROTECTION CAPITAL IMPROVEMENTS IN THE**  
26 **ANCHORAGE FIRE SERVICE AREA AT THE ELECTION TO BE HELD IN THE**  
27 **MUNICIPALITY ON APRIL 5, 2011.**

28  
29 Prepared by: Lucinda Mahoney, CFO  
30 Concurrence: Cheryl Frasca, Director, 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



# Exhibit A

Anchorage Fire Service Area  
2011 Bond Project List  
(000)'s

<u>Project Name</u>	<u>Bond Amount</u>	<u>Total O&amp;M</u>
REPLACEMENT LADDER TRUCK: FIRST LINE RESPONSE AFD)	1,150	-
	<b>Total \$</b>	<b>1,150 -</b>

Estimated Debt Service Cost  
Annual Cost - \$92,279  
Annual Cost per \$100k Assessed Value - \$.31

**Content ID:** 009776

**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:** 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 5, 2011

**Author:** maglaquijp

**Initiating Dept:** Finance

**Keywords:** GO Bonds, \$1,150,000, Fire, Fire Service Area, Capital Improvements

**Date Prepared:** 1/6/11 2:03 PM

**Director Name:** Lucinda Mahoney

**Assembly Meeting Date:** 1/18/11

**Public Hearing Date:** 2/1/11

<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	1/7/11 12:01 PM	Exit	Joy Maglaqui	Public	009776
MuniManager_SubWorkflow	1/7/11 12:01 PM	Approve	Joy Maglaqui	Public	009776
MuniManager_SubWorkflow	1/7/11 12:01 PM	Checkin	Joy Maglaqui	Public	009776
Legal_SubWorkflow	1/6/11 5:58 PM	Approve	Rhonda Westover	Public	009776
OMB_SubWorkflow	1/6/11 5:22 PM	Approve	Cheryl Frasca	Public	009776
Finance_SubWorkflow	1/6/11 3:37 PM	Approve	David Ryan	Public	009776
AllOrdinanceWorkflow	1/6/11 2:07 PM	Checkin	Nina Pruitt	Public	009776