

NON-CODE ORDINANCE

By:
Introduced:
Public Hearing:
Adopted:

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 18-078**

AN ORDINANCE RELATING TO THE CONSTRUCTION, ADDITIONS, IMPROVEMENTS, BETTERMENTS, REPAIR, RECONSTRUCTION, OR ACQUISITION OF PUBLIC ROADS AND FACILITIES RELATED THERETO IN THE MATANUSKA-SUSITNA BOROUGH, TOGETHER WITH ALL NECESSARY EQUIPMENT AND TRANSPORTATION FACILITIES, AND THE ACQUISITION OF LANDS OR RIGHTS IN LANDS IN CONNECTION THEREWITH, AND A DEBT OF THE BOROUGH, AUTHORIZING THE ISSUANCE OF AREAWIDE GENERAL OBLIGATION BONDS OF THE BOROUGH IN AN AMOUNT NOT TO EXCEED THE SUM OF SEVENTY-TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$72,500,000) TO FINANCE THE COST, IN WHOLE OR IN PART, OF SUCH PUBLIC ROADS, FACILITIES AND LANDS, AND PROVIDING FOR THE SUBMISSION TO THE VOTERS OF THE BOROUGH OF A PROPOSITION RATIFYING THE AUTHORIZATION OF SUCH BONDS AT THE OCTOBER 2, 2018 REGULAR BOROUGH ELECTION.

WHEREAS, the Matanuska-Susitna Borough identified \$54,850,000 of needed Tier I road improvements; and

WHEREAS, they also identified an additional \$29,360,000 Tier II improvements; and

WHEREAS, continued population growth has created a substantial and immediate need for road improvements throughout the Matanuska-Susitna Borough (the "Borough"); and

WHEREAS, the road improvements identified as Tier I or Tier II improvements must be programmed and funded for construction as early as possible in order to prevent congestion and unsafe conditions; and

WHEREAS, the Borough has previously adopted areawide

transportation systems powers; and

WHEREAS, some of the projects, or parts of them, contemplated by this ordinance are also related to the exercise of the Borough's powers to provide education, recreation, and economic development; and

WHEREAS, it is in the best interest of the residents and property owners in the Borough to supplement funds with the proceeds of Borough transportation systems bonds; and

WHEREAS, the proceeds of such bonds will be used to build the key elements of the Borough's transportation system to serve the needs of our growing community; and

WHEREAS, under the provisions of Alaska Statute 29.47.180 a municipality may acquire, construct, improve, and equip capital improvements and issue general obligation bonds for these purposes; and

WHEREAS, under the provisions of Alaska Statute 29.47.190 a municipality may incur general obligation debt only after a bond authorization ordinance is approved by a majority of those voting on the question at a regular or special election.

NOW, THEREFORE, BE IT ENACTED by the Assembly of the Matanuska-Susitna Borough:

Section 1. Classification. This Ordinance is a non-code ordinance.

Section 2. Authorization. There are hereby authorized to be issued areawide general obligation bonds of the Borough in an amount not to exceed the sum of Seventy-Two Million Five Hundred Thousand (\$72,500,000) (the "Bonds") for the purpose of paying the cost, in whole or in part, of the construction, additions, improvements, betterments, repair, reconstruction, or acquisition of the public roads set forth in Section 3 of this ordinance (the "Projects") and facilities related thereto in the Borough, together with all necessary equipment and transportation facilities, and the acquisition of lands or rights in lands in connection therewith. The full faith and credit of the Borough shall be pledged for the payment of principal and interest on the Bonds when issued and ad valorem taxes upon all the taxable property in the Borough shall be levied without limitation of rate or amount to pay the principal and interest on the Bonds.

Section 3. Purpose. The Assembly of the Borough (the "Assembly") hereby determines that the transportation systems of the Borough, in particular the arterial and collector roads, are in need of construction, additions, improvements, betterments, repair, reconstruction, or acquisition and deems the Projects to be public facilities of the Borough's transportation systems under Matanuska-Susitna Borough Code 1.10.135. Such activities also contribute to the Borough's powers to provide education, recreation, and economic development. The Assembly hereby

determines that the best interest of the residents and property owners in the Borough require the Borough to undertake the Projects at the time and in the order and manner deemed most necessary and advisable by the Borough. The estimated cost to the Borough of the Projects, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be \$72,500,000.

The Projects consist of the following:

<u>BOROUGHWIDE PROJECTS</u>	<u>AMOUNT</u>	<u>COST TO TAXPAYER PER \$100,000</u>
Hemmer Road Upgrade Extension North to Bogard Road	5,200,000	4.28
Hermon Road Upgrade and Extension (Parks Highway to Palmer-Wasilla Highway)	7,000,000	5.76
MSB School District 2018 Pedestrian Projects (Safe Routes to Schools Plan Implementation)	2,000,000	1.65
Aspen Ridge Road Extension to Palmer Fishhook Road	5,500,000	4.53
Cheri Lake Drive/Karen Avenue/ King Arthur Drive Corridor Improvements	7,000,000	5.76
Trunk Road Extension South, Phase II/III	3,600,000	2.96
Tex-Al Drive Upgrade and Extension	5,500,000	4.53
Fern Street Upgrade	6,000,000	4.94
Seldon Road Extension Phase II (Windy Bottom/	8,200,000	6.75

Beverly Lakes Road to
Pittman Road)

Trunk Road Connector/ Katherine Drive	2,200,000	1.81
Lakes Boulevard (Beaver Lake Road to Rogers Road)	2,650,000	2.18
Oil Well Road Upgrade Petersville Road to Mile 6.2)	2,000,000	1.65
Yoder Road Upgrade	350,000	.28
Echo Lake Drive from Gonder Road to Big Lake Road	3,000,000	2.47
Point MacKenzie Road Upgrade (KGB Road to Burma Road)	10,800,000	8.89
Caswell Lakes Road, Bendapole Road, Hidden Hills Road Upgrade	1,500,000	<u>1.23</u>
Total	<u>72,500,000</u>	<u>59.67</u>

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 and other costs incurred in connection with the Projects shall be deemed to be costs of the approved Projects. The Borough is hereby authorized to undertake the Projects at the time and in the order and manner deemed most necessary and advisable by the Borough. The approved Projects may

be completed with all necessary equipment and appurtenances and shall include non-motorized pathways when practicable.

The Borough shall determine the application of available money 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 Borough 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 Borough 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 Borough shall apply such remaining proceeds solely to payment of principal or interest on the Bonds. In the event that the proceeds of sale of the Bonds, plus any other money of the Borough legally available, are insufficient to accomplish the approved Projects, the Borough shall use the available funds for paying the cost of those portions of the approved Projects deemed by the Borough most necessary and in the best interest of the Borough. No Bond proceeds shall be used for any purpose other than a capital improvement.

Section 4. Details of Bonds. The Bonds shall be issued upon such terms and conditions and in such form as the Borough Manager or the Borough Finance Director finds to be in the best interest of the Borough.

Section 5. Election and Proposition. A proposition ratifying the authorization of the Bonds shall be submitted to the qualified voters of the Borough at an election to be held in the Borough on October 2, 2018. The proposition to be submitted shall be in substantially the following form:

PROPOSITION NO. _____

BOROUGH TRANSPORTATION SYSTEMS BONDS

Shall the Matanuska-Susitna Borough engage in the construction, additions, improvements, betterments, repair, reconstruction, and acquisition of public roads and facilities related thereto in the Matanuska-Susitna Borough of the following projects, together with all necessary equipment and transportation facilities, and the acquisition of lands or rights in lands in connection therewith and issue its areawide general obligation bonds, in an amount not to exceed the sum of Seventy-Two Million Five Hundred Thousand(\$72,500,000) for the purpose of financing the cost, in whole or in part, of the following projects, in accordance with and ratifying and approving the provisions of Ordinance Serial No. 18-078 of the Matanuska-Susitna Borough adopted by the Borough Assembly on _____, 2018.

BOROUGHWIDE PROJECTS

ESTIMATED COST

Hemmer Road Upgrade
Extension North to Bogard Road

5,200,000

Hermon Road Upgrade and

7,000,000

Extension (Parks Highway to Palmer-Wasilla Highway)	
MSB School District 2018 Pedestrian Projects (Safe Routes to Schools Plan Implementation)	2,000,000
Aspen Ridge Road Extension to Palmer Fishhook Road	5,500,000
Cheri Lake Drive/Karen Avenue/ King Arthur Drive Corridor Improvements	7,000,000
Trunk Road Extension South, Phase II/III	3,600,000
Tex-Al Drive Upgrade and Extension	5,500,000
Fern Street Upgrade	6,000,000
Seldon Road Extension Phase II (Windy Bottom/ Beverly Lakes Road to Pittman Road)	8,200,000
Trunk Road Connector/ Katherine Drive	2,200,000
Lakes Boulevard (Beaver Lake Road to Rogers Road)	2,650,000
Oil Well Road Upgrade (Petersville Road to Mile 6.2)	2,000,000
Yoder Road Upgrade	350,000
Echo Lake Drive from Gonder Road to Big Lake Road	3,000,000
Point MacKenzie Road Upgrade (KGB Road to Burma Road)	10,800,000
Caswell Lakes Road,	1,500,000

Bendapole Road,
Hidden Hills Road Upgrade

Total 72,500,000

The bonds shall be secured by a pledge of the full faith and credit of the borough Ordinance Serial No. 18-078 of the Matanuska-Susitna Borough adopted by the Borough Assembly on _____, _____, 2018.

Section 6. Submission of Question to Voters. The proposition 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 machine:

PROPOSITION NO. ____ YES ☐
NO ☐

The election shall be conducted and held in accordance with the requirements of the laws of the State of Alaska and applicable ordinances of the Borough now in effect. The Borough Clerk shall cause to be published and posted the notices required by such laws and ordinances and shall take all steps necessary in accordance with such laws and ordinances to place such proposition before the qualified voters at such election.

Section 7. Bond Anticipation Notes. In the event the issuance of the Bonds is ratified at such election, the Assembly is hereby authorized to borrow money in anticipation of the sale of the Bonds and to issue bond anticipation notes in accordance with the provisions of the Alaska Statutes. The amount of such

notes to be issued from time to time and the time of their issuance, the form and details of the notes and provisions for the sale thereof shall be fixed by the Assembly by resolution.

Section 8. Effective Dates. Sections 2, 3, 4, and 7 of this ordinance shall become effective only if the proposition described in Section 5 is approved by a majority of the qualified voters voting on the proposition at the regular Borough election on October 2, 2018. The remaining sections of this ordinance shall become effective upon adoption by the Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this day of _____, _____ 2018.

Vern Halter, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)