

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #9 (2008-2009)

August 11, 2008

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: APPROVAL OF REALLOCATION OF FUNDS FOR EAGLE RIVER
HIGH SCHOOL SEWER ASSESSMENT

ASD Goal: Establish and maintain a supportive and effective learning environment by providing safe, caring, barrier-free schools. Ensure public accountability through effective consultation with community to ensure wise use of financial resources and responsible construction and maintenance of facilities, and effective communication with students, staff, parents, community and government at all levels.

RECOMMENDATION:

It is the Administration's recommendation that the School Board approve and authorize the use of Capital Projects Fund interest earnings in a total amount not to exceed \$230,000 for the Sewer Assessment fee at Eagle River High School.

PERTINENT FACTS:

In April 2003, voters approved bond funding for the Eagle River High School construction project.

AWWU expands its infrastructure to collect and transport wastewater to treatment facilities as community development needs require. This expansion effort includes meeting Anchorage School District's capital improvement needs. To defray these costs system-wide, AWWU applies an assessment through tariff. Accordingly, the district is obligated to pay the sewer trunk assessment for this project.

The sewer trunk assessment for Eagle River High School, in accordance with the tariff, has been calculated to be \$229,751.56 plus a yet to be determined minor administrative charge associated with the payment. This assessment could be paid in twenty annual payments of \$17,386.47 each for a total amount of \$347,729.40 plus collection charges each year. However, it is beneficial to the district to make a single payment and not incur interest and collection costs.

The current Eagle River High School project balance is insufficient to make this payment. Interest accrued from 2003, 2004 and 2006 bond sales is available through allocation to fund this sewer assessment.

School	Project Description	Estimated Cost	Fund Source
Eagle River High School	Sewer Assessment	\$230,000	2003B Interest Earnings

CC/GV/RA/JS/RM/jg

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