

LEG. FINANCE - BILLS 1979 - 1980 1225

HCR 70 thru HJR 76 1225



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith  
Signature of Camera Operator

3/20/90  
Date



Original sponsor: Community and Regional  
Affairs Committee

Offered: 5/16/80  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2

CS FOR HOUSE CONCURRENT RESOLUTION NO. 70

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

Directing the Alaska Legislative

6

Council to revise AS 29 (Municipal

7

Government)

8

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

WHEREAS Alaska has a system of local government that differs uniquely in  
10 constitutional concept and in law from traditional local government; and

11

WHEREAS the law governing municipalities in Alaska were last reviewed  
12 completely in 1972 at which time significant elements of the local government  
13 structures were still in a formative stage; and

14

WHEREAS numerous amendments to the municipal code have been made since  
15 its adoption which have not been fully integrated into the code; and

16

WHEREAS much experience in the Alaska system of local government has  
17 been gained since adoption of the municipal code; and

18

WHEREAS there is a need for a comprehensive revision of the municipal  
19 code which will consider the 1972 code, amendments to it, and the experience  
20 gained since its adoption;

21

BE IT RESOLVED by the Alaska State Legislature that under the provisions  
22 of AS 24.20.090 and Uniform Rule 48(c) the Alaska Legislative Council is  
23 directed to prepare a revision of Title 29 of the Alaska Statute (Municipal  
24 Government) by directing the legal services division of the Legislative  
25 Affairs Agency to prepare the revision with the assistance of a policy advi-  
26 sory group of legislators and municipal officials and a working group of  
27 persons experienced in the application of AS 29 and by soliciting the support  
28 and advice of the Alaska Code Revision Commission; and be it

29

FURTHER RESOLVED that the policy advisory group consist of two members

1 of each house of the legislature appointed by the presiding officer and other  
2 members selected by the legislative members from persons recommended by the  
3 Department of Community and Regional Affairs, the Alaska Municipal League,  
4 the Rural Alaska Community Action Program, Inc., and other interested parties,  
5 and the working group consist of municipal attorneys, municipal managers,  
6 municipal clerks or other municipal staff, appointed by the director of legal  
7 services of the Legislative Affairs Agency, representatives of the Depart-  
8 ments of Community and Regional Affairs and Law and a member of the staff of  
9 the legal services division; and be it

10       FURTHER RESOLVED that a proposed revision of AS 29 be presented to the  
11 legislature during the first 30 days of the First Session of the Twelfth  
12 Legislature.

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

Introduced: 5/1/80  
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2

HOUSE CONCURRENT RESOLUTION NO. 70

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

Directing the Alaska Legislative

6

Council to revise AS 29 (Municipal

7

Government)

8

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

WHEREAS Alaska has a system of local government that differs uniquely in  
10 constitutional concept and in law from traditional local government; and

11

WHEREAS the law governing municipalities in Alaska were last reviewed  
12 completely in 1972 at which time significant elements of the local government  
13 structures were still in a formative stage; and

14

WHEREAS numerous amendments to the municipal code have been made since  
15 its adoption which have not been fully integrated into the code; and

16

WHEREAS much experience in the Alaska system of local government has  
17 been gained since adoption of the municipal code; and

18

WHEREAS there is a need for a comprehensive revision of the municipal  
19 code which will consider the 1972 code, amendments to it, and the experience  
20 gained since its adoption;

21

BE IT RESOLVED by the Alaska State Legislature that under the provisions  
22 of AS 24.20.090 and Uniform Rule 48(c) the Alaska Legislative Council is  
23 directed to prepare a revision of Title 29 of the Alaska Statute (Municipal  
24 Government) by directing the legal services division of the Legislative  
25 Affairs Agency to prepare the revision with the assistance of a policy advi-  
26 sory group of legislators and municipal officials and a working group of  
27 persons experienced in the application of AS 29; and be it

28

FURTHER RESOLVED that the policy advisory group consist of two members

29

of each house of the legislature appointed by the presiding officer and other

1 members selected by the legislative members from persons recommended by the  
2 Department of Community and Regional Affairs, the Alaska Municipal League,  
3 the Rural Alaska Community Action Program, Inc., and other interested parties,  
4 and the working group consist of municipal attorneys, municipal managers,  
5 municipal clerks or other municipal staff, appointed by the director of legal  
6 services of the Legislative Affairs Agency, representatives of the Depart-  
7 ments of Community and Regional Affairs and Law and a member of the staff of  
8 the legal services division; and be it

9       FURTHER RESOLVED that a proposed revision of AS 29 be presented to the  
10 legislature during the first 30 days of the First Session of the Twelfth  
11 Legislature.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



(9)

# COMMITTEE REPORT

## HOUSE

5/16

5/1/80

FURTHER:

*Ruler*

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on JUDICIARY has had HCR 70

"Directing the Alaska Legislative Council to revise AS 29 (Municipal Government)"

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass  do not pass

do pass with attached amendments(s)

replace with CS for HCR 70  same title  new title

and recommends do pass

AND attaches a "Letter of Intent"  New Fiscal Note

reports it back without recommendation

referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

*[Signature]*  
\_\_\_\_\_  
*Terry Masten*  
\_\_\_\_\_  
*R. Barnes*  
\_\_\_\_\_  
*T. Buchholdt*  
\_\_\_\_\_  
*H. Maloge*  
\_\_\_\_\_  
*Charles H. Pan*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

*R. ... No Rec*  
\_\_\_\_\_  
*Neldt ... No Rec*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Charles H. Pan*  
\_\_\_\_\_  
CHAIRMAN

8532  
Berni

Original sponsor: Community and Regional  
Affairs Committee

Offered: 5/16/80  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 70

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Directing the Alaska Legislative  
6 Council to revise AS 29 (Municipal  
7 Government)

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 WHEREAS Alaska has a system of local government that differs uniquely in  
10 constitutional concept and in law from traditional local government; and

11 WHEREAS the law governing municipalities in Alaska were last reviewed  
12 completely in 1972 at which time significant elements of the local government  
13 structures were still in a formative stage; and

14 WHEREAS numerous amendments to the municipal code have been made since  
15 its adoption which have not been fully integrated into the code; and

16 WHEREAS much experience in the Alaska system of local government has  
17 been gained since adoption of the municipal code; and

18 WHEREAS there is a need for a comprehensive revision of the municipal  
19 code which will consider the 1972 code, amendments to it, and the experience  
20 gained since its adoption;

21 BE IT RESOLVED by the Alaska State Legislature that under the provisions  
22 of AS 24.20.090 and Uniform Rule 48(c) the Alaska Legislative Council is  
23 directed to prepare a revision of Title 29 of the Alaska Statute (Municipal  
24 Government) by directing the legal services division of the Legislative  
25 Affairs Agency to prepare the revision with the assistance of a policy advi-  
26 sory group of legislators and municipal officials and a working group of  
27 persons experienced in the application of AS 29 and by soliciting the support  
28 and advice of the Alaska Code Revision Commission; and be it

29 FURTHER RESOLVED that the policy advisory group consist of two members

1 of each house of the legislature appointed by the presiding officer and other  
2 members selected by the legislative members from persons recommended by the  
3 Department of Community and Regional Affairs, the Alaska Municipal League,  
4 the Rural Alaska Community Action Program, Inc., and other interested parties,  
5 and the working group consist of municipal attorneys, municipal managers,  
6 municipal clerks or other municipal staff, appointed by the director of legal  
7 services of the Legislative Affairs Agency, representatives of the Depart-  
8 ments of Community and Regional Affairs and Law and a member of the staff of  
9 the legal services division; and be it

10       FURTHER RESOLVED that a proposed revision of AS 29 be presented to the  
11 legislature during the first 30 days of the First Session of the Twelfth  
12 Legislature.

8532  
Berrier

Introduced: 5/1/80  
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 70

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Directing the Alaska Legislative  
6 Council to revise AS 29 (Municipal  
7 Government)

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 WHEREAS Alaska has a system of local government that differs uniquely in  
10 constitutional concept and in law from traditional local government; and

11 WHEREAS the law governing municipalities in Alaska were last reviewed  
12 completely in 1972 at which time significant elements of the local government  
13 structures were still in a formative stage; and

14 WHEREAS numerous amendments to the municipal code have been made since  
15 its adoption which have not been fully integrated into the code; and

16 WHEREAS such experience in the Alaska system of local government has  
17 been gained since adoption of the municipal code; and

18 WHEREAS there is a need for a comprehensive revision of the municipal  
19 code which will consider the 1972 code, amendments to it, and the experience  
20 gained since its adoption;

21 BE IT RESOLVED by the Alaska State Legislature that under the provisions  
22 of AS 24.20.090 and Uniform Rule 48(c) the Alaska Legislative Council is  
23 directed to prepare a revision of Title 29 of the Alaska Statute (Municipal  
24 Government) by directing the legal services division of the Legislative  
25 Affairs Agency to prepare the revision with the assistance of a policy advi-  
26 sory group of legislators and municipal officials and a working group of  
27 persons experienced in the application of AS 29; and be it

28 FURTHER RESOLVED that the policy advisory group consist of two members  
29 of each house of the legislature appointed by the ~~presiding officer~~ and other

COMMITTEE COPY

1 members selected by the legislative members from persons recommended by the  
2 Department of Community and Regional Affairs, the Alaska Municipal League,  
3 the Rural Alaska Community Action Program, Inc., and other interested parties,  
4 and the working group consist of municipal attorneys, municipal managers,  
5 municipal clerks or other municipal staff, appointed by the director of legal  
6 services of the Legislative Affairs Agency, representatives of the Depart-  
7 ments of Community and Regional Affairs and Law and a member of the staff of  
8 the legal services division; and be it

9       FURTHER RESOLVED that a proposed revision of AS 29 be presented to the  
10 legislature during the first 30 days of the First Session of the Twelfth  
11 Legislature.



ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSE CONCURRENT RES. NO. 70

By THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

"Directing the Alaska Legislative Council to revise AS 29 (Municipal Government)

Alaska Legislative Council to revise AS 29

Introduced in the House 5/1, 1980

HISTORY IN THE HOUSE

19 80

May 1

Read first time and referred to Committee on

Judiciary

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reconsideration

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused  
Reported correctly engrossed  
Signed by Speaker  
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reconsideration

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused  
Reported correctly engrossed  
Signed by President  
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment thus adopting:  
VOTE

Failed to concur in Senate amendment; asked Senate to recede  
VOTE

Senate receded from amendment  
VOTE

Senate failed to recede from amendment  
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House  
VOTE

CC adopted by Senate  
VOTE

To enrolling  
Reported correctly enrolled  
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No. ....



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O Smith  
Signature of Camera Operator

3/20/90  
Date

COMMITTEE REPORT  
SENATE

FURTHER: None

5/28/80

Date: June 4, 1980

Mr. President:

The Committee on FINANCE has had HCR 71

Approving sale of royalty gas to the Municipality of Anchorage'

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*[Handwritten signature]*  
\_\_\_\_\_  
*[Handwritten signature]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

*[Handwritten signature]* NO RECOMM.  
*[Handwritten signature]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

AGO 750608

*[Handwritten signature]*  
\_\_\_\_\_  
CHAIRMAN  
*[Handwritten signature]*

Introduced: 5/13/80  
Referred: Resources

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE CONCURRENT RESOLUTION NO. 71

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Approving the sale of royalty gas to the  
6 Municipality of Anchorage

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS, the State of Alaska has the right under AS 38.05.180 and its  
9 oil and gas leases to take its royalty of natural gas production removed  
10 or sold from those leases either in value (money) or in kind (gas); and

11 WHEREAS, the legislature has, by enactment of AS 38.0, and AS 38.05.-  
12 182, established a policy favoring taking that royalty in kind (referred to  
13 as "royalty gas"); and

14 WHEREAS, under his statutory authority as set out in AS 38.05 and  
15 AS 38.06, the commissioner of natural resources has negotiated with the  
16 Municipality of Anchorage an agreement entitled "AGREEMENT FOR THE SALE AND  
17 PURCHASE OF ROYALTY GAS" ("Agreement") for the sale of royalty gas to the  
18 municipality; and

19 WHEREAS, under its duties and powers as set out in AS 38.06, the  
20 Alaska Royalty Oil and Gas Development Advisory Board has considered and,  
21 on May 5, 1980, approved the Agreement; and

22 WHEREAS, the commissioner of natural resources has fulfilled the  
23 statutory prerequisites necessary to sell the royalty gas which is the  
24 subject of the Agreement and has obtained approvals from the Alaska  
25 Royalty Oil and Gas Development Advisory Board, to the extent required  
26 under AS 38.05 and 38.06; and

27 WHEREAS, the Agreement contains a provision stating that it takes  
28 effect on the date on which it has been approved in accordance with the  
29 laws of the State of Alaska; and

1           WHEREAS, AS 38.06.055(a) provides that no sale of royalty gas may be  
2 made by the commissioner of natural resources without the prior approval  
3 of the legislature by a concurrent resolution concurred in by a majority  
4 of the members of each house; and

5           WHEREAS, the commissioner of natural resources submitted the Agreement  
6 to the legislature for consideration and approval; and

7           WHEREAS, the legislature has reviewed and evaluated the Agreement,  
8 and has conducted public hearings and otherwise received background  
9 information, expert advice, and expressions of public opinion sufficient  
10 to make a reasoned determination with respect to the agreement; and

11           WHEREAS, the legislature finds the Agreement to be in the  
12 best interest of the State of Alaska and its citizens;

13           BE IT RESOLVED by the Alaska State Legislature that the agreement  
14 entitled "AGREEMENT FOR THE SALE AND PURCHASE OF ROYALTY GAS," between  
15 the State of Alaska, acting through its commissioner of natural resources,  
16 and the Municipality of Anchorage, is hereby approved.



H.C.L. 71

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

May 13, 1980

The Honorable Terry Gardiner  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a concurrent resolution providing for legislative approval of the proposed contract between the State of Alaska and the Municipality of Anchorage.

The contract provides for the sale of all of the state's royalty gas from the Kenai and Kenai Deep Units located near Kenai to the Municipality of Anchorage. In exchange for the gas, the Municipality of Anchorage guarantees that it will pay the state the sum the state would have received from the producers if royalty were paid in value. The Municipality is required under the contract to use the gas to meet the electrical requirements of the customers of its electric utility, Municipal Light and Power. A copy of the contract document is attached.

This resolution is being concurrently submitted to both the Senate and House in order to expedite consideration.

The Alaska Supreme Court's decision in State v. A.L.I.V.E. VOLUNTARY, 606 P.2d 769 (Alaska 1980) does, I believe settle the issue of the constitutionality of the legislature's approval of an executive act by means of a concurrent resolution. Nevertheless, in the interest of comity, and recognizing the desire of the Legislature as expressed in AS 38.06.055, I am submitting this contract to you. I agree to abide by the wishes of the legislature in this matter, and the contract is worded so that it takes effect upon your approval. Therefore, and as a matter of contract law, it will not take effect unless and until the legislature approves it.

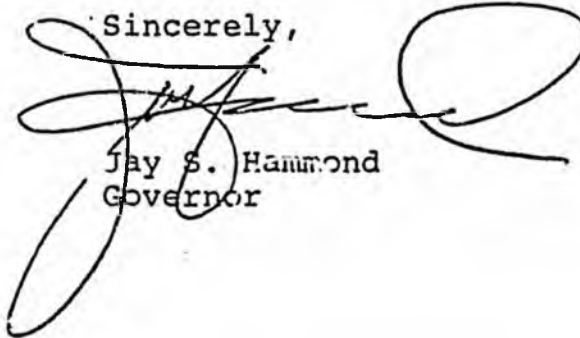
The Honorable Terry Gardiner

-2-

May 13, 1980

I hope that you agree that this sale is in the best interest of all Alaskans, and I urge your prompt approval.

Sincerely,

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Jay S. Hammond  
Governor

AGO 750612

AGREEMENT FOR THE SALE AND PURCHASE  
OF STATE ROYALTY GAS

NCR 71

THIS CONTRACT, made and entered into this 5<sup>th</sup> day  
of May, 1980, by and between the MUNICIPALITY  
OF ANCHORAGE d/b/a MUNICIPAL LIGHT & POWER ("ML&P"), herein-  
after called "Buyer," and the STATE OF ALASKA, acting by and  
through the Commissioner of Natural Resources, pursuant to  
Alaska Statute 38.05.183, hereinafter called "Seller":

W I T N E S S E T H:

WHEREAS, Buyer owns and operates an electric  
utility in the Anchorage, Alaska area and generates elec-  
tricity for consumption within the State of Alaska by use  
of natural gas fired turbine generators, and

WHEREAS, Seller has the right, under each of the  
leases identified, in Exhibit "A" attached to this Contract,  
to be paid by the Lessees thereunder a royalty of 3.61635  
percent (3.61635%) in-kind or in-value of the natural gas  
produced from the Kenai Unit and 1.14069 percent (1.14069%)  
in-kind or in-value of the natural gas produced from the  
Kenai Deep Unit and saved or used off of the lands covered  
by each lease, and

WHEREAS, Seller is authorized by AS 38.05.183 to  
sell royalty gas, and

WHEREAS, Seller desires to sell royalty gas to Buyer and Buyer desires to purchase royalty gas from Seller under the terms and upon the conditions hereinafter set forth, and

WHEREAS, Buyer represents to Seller that all gas received by Buyer under this Contract will be used to meet the electrical requirements of its customers within the State of Alaska,

NOW, THEREFORE, in consideration of the representations, covenants, and conditions herein contained, Buyer and Seller hereby agree as follows:

ARTICLE I

DEFINITIONS

The following terms when used in this Contract shall have the following meanings:

1.1 The term "day" shall mean a period of twenty-four (24) consecutive hours beginning and ending at 12:01 a.m.

1.2 The term "Leases" shall mean the oil and gas leases which are described in Exhibit "A" attached hereto and made a part hereof.

1.3 The term "Lessees" shall mean the parties which own working interests in the Leases.

1.4 The term "month" shall mean a period beginning at 12:01 a.m. on the first day of a calendar month and

ending at the same time on the first day of the next succeeding calendar month.

1.5 The term "Mcf" shall mean one thousand (1,000) cubic feet of natural gas measured as hereinafter provided.

1.6 The term "Point of Delivery" shall have the meaning defined in Article V.

## ARTICLE II

### SELLER'S ROYALTY GAS

2.1 Within thirty (30) days after the execution and approval of this Agreement as required by the laws of the State of Alaska, Seller shall notify Lessees of Seller's election to take its royalty gas in-kind. The notice will provide that the Lessees shall commence the delivery of royalty gas to Seller or to Seller's designee on a date not more than six (6) months following Lessee's receipt of notice of Seller's election to take its royalty gas in-kind.

2.2 Buyer agrees that Seller's royalty gas which is purchased and received by Buyer will be used to meet the electrical requirements of Seller's customers within the state of Alaska except that, after Buyer has given Seller notice of termination under Article 9.3, Buyer may re-sell the royalty gas it is obligated to take and pay for under this Agreement to any purchaser.

### ARTICLE III

#### QUANTITY

3.1 It is understood and agreed by the parties that the volume of gas available to Seller from the Leases covered by this Contract depends upon the production from the Leases over which Seller has no control, and further depends upon the Lessee's gathering capacity installed and available, over which Seller likewise has no control. Buyer hereby agrees to purchase, on each day commencing with the date of first delivery to Seller by Lessees pursuant to Seller's election to take royalty gas in-kind, and continuing during the term of this contract, all of Seller's royalty gas available at the Point of Delivery.

### ARTICLE IV

#### QUALITY, PRESSURE AND ODORIZATION

4.1 The gas to be delivered by Seller to Buyer at the Point of Delivery shall be gas of the same quality and pressure as delivered to Seller by its Lessees. Except for the foregoing Seller does not warrant, represent or guarantee, either expressly or impliedly, the quality, merchantability, fitness for use or purpose,; or otherwise of any gas to be delivered to Buyer under this Agreement.

4.2 Gas delivered hereunder will not be odorized and if Buyer so utilizes the gas delivered hereunder for purposes which require odorization of such gas, the full

responsibility for such use is Buyer's and Buyer agrees to comply with all laws and regulations respecting the odorization of such gas and hereby indemnifies and holds Seller harmless from any and all claims, injuries, expenses, penalties and damages arising out of or connected with Buyer's failure to observe strictly and comply with all laws, rules and regulations with respect thereto.

#### ARTICLE V

##### POINT OF DELIVERY AND PASSAGE OF TITLE

5.1 The Point of Delivery of all gas delivered hereunder shall be at the same point that Seller receives its royalty gas from its Lessees. The parties acknowledge that at the time of execution of this agreement the Point of Delivery is an unsettled issue between Seller and Lessees.

5.2 Title to the gas sold hereunder shall pass from Seller to Buyer upon delivery.

5.3 Buyer shall be responsible for the gas sold hereunder after passage of title. Buyer shall indemnify and hold Seller harmless from and against any and all claims, costs, damages, expenses or causes of action as a result of any loss, injury or damage incurred by any party as a result of any transaction or event which relates to the gas after title thereto has passed to Buyer. Buyer shall be responsible for any gas lost between the Point of Delivery and the point of measurement.

ARTICLE VI

MEASUREMENTS

6.1 Except for the determination and computation of total heating value, the unit of volume of gas delivered hereunder shall be one (1) cubic foot at an absolute pressure of fourteen and sixty-five one hundredths (14.65) pounds per square inch and at a base temperature of sixty degrees Fahrenheit (60°F).

6.2 The volumes of gas delivered hereunder shall be measured and computed by Buyer in accordance with the methods prescribed in Gas Measurement Committee Report No. 3, Natural Gas Department, American Gas Association, including the Appendix thereto, dated April 1955, except that the atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch. The method used for correcting such volumes for deviation from the Ideal Gas Laws shall be the procedure recommended in the most current Report of the American Gas Association or by any other method mutually agreeable to the parties hereto.

6.3 The specific gravity of the gas delivered hereunder shall be determined utilizing the method prescribed in American Petroleum Institute Code No. 50-A at the beginning of delivery hereunder and once during each month thereafter. The results of each such determination shall be used in computing the volume of gas delivered hereunder until the effective date of the next succeeding test.

6.4 The flowing temperature of the gas delivered hereunder shall be determined by means of a continuous recording thermometer installed by Buyer or his agent so that it will properly record the temperature of the gas flowing through the meter. The arithmetical average of the hourly temperatures recorded each day shall be used in computing the volumes of gas delivered during such day.

6.5 Seller may, at its option and expense, install check meters upstream of Buyer's meter station provided that such check meters will be installed so as not to interfere with the operation of Buyer's facilities. The calibrating and adjusting of meters and the changing of charts and the reading of charts on meters shall be done by Seller.

6.6 Seller shall have access at all times to Buyer's metering equipment including all other instruments used by Buyer in determining the measurement and quality of the gas delivered hereunder, but the reading, calibrating and adjusting thereof, and the changing of charts shall be done only by the employees, agents, or representatives of Buyer. Upon request of Seller, Buyer shall submit to Seller records and charts from such equipment subject to return by Seller within thirty (30) days after receipt thereof. Buyer hereby agrees to assure Seller ingress and egress at the point of measurement and between the Point of Delivery and the point of measurement without charge for all purposes necessary hereto.

6.7 At least once a month Buyer shall test its above-mentioned metering equipment or cause the same to be tested and shall give Seller reasonable prior notice of the time all such tests are to be made so that Seller may, if desired, have its representative present to observe such tests and any adjustments made upon such metering equipment. Following any test, any of Buyer's metering equipment found to be inaccurate to any degree shall be adjusted immediately to measure accurately. If upon any test such metering equipment is found to be inaccurate by two percent (2%) or more, registration from said metering equipment and any payments based upon such registrations shall be corrected at the rate of such inaccuracy for any period of inaccuracy which is definitely known or agreed upon, but in case the period is not definitely known or agreed upon, then for a period extending back one-half of the time elapsed since the last previous test, not exceeding however, fifteen (15) days.

6.8 If for any reason Buyer's meter is out of service or is found registering inaccurately and the error is not determinable by ordinary test such that the volume of gas delivered through such meter cannot be ascertained or computed from the readings thereof, the volume of gas so delivered during the period the meter is out of service or registering inaccurately shall be estimated and agreed upon by the parties hereto upon the basis of the best available data, using the first of the following methods which is feasible:

(a) By correcting the error if the percentage of error is ascertainable by calibration, special test, or mathematical calculation;

(b) By using the registration of any check measuring equipment of Lessee if installed and registering accurately;

(c) By estimating the volume by comparing it with deliveries during preceding periods under similar conditions when the meter was registering accurately.

#### ARTICLE VII

##### PRICE

7.1 The price to be paid by Buyer to Seller for gas deliveries shall be as follows:

(a) An amount equal to the royalty payment Seller would have received had it not elected to take its royalty in-kind.

(b) In addition to the amount set forth in (a), Buyer shall reimburse Seller for any costs attributable to the preparation and transportation of gas to be delivered hereunder which costs Seller may incur as a result of Seller's election to take its royalty gas in-kind and which costs would not have been incurred by Seller if Seller had not elected to take its royalty gas

in kind. Seller shall use its best efforts to minimize any costs incurred by reason of Seller's taking royalty gas in-kind, such best efforts shall include but not be limited to litigation under the sole control of Seller to the extent necessary to contest the imposition of unwarranted or improper charges by Lessees.

9 7.2 In the event that the provisions of Article 7.1 provide for payments to Seller which exceed limits set by federal law, including but not limited to the Natural Gas Policy Act of 1978, the price to be paid Seller shall be the maximum lawful price allowed under federal law.

7.3 The parties agree that the amount to be paid by Buyer under Article 7.1(a) shall be determined by taking the volume weighted average of unit prices for royalties reported by Lessees to the United States Geological Survey (hereinafter "USGS"), adjusting that figure in accordance with Seller's royalty practices, and multiplying the result by Seller's royalty gas volumes, except as specified in Article 7.4.

7.4 The parties acknowledge that the unit prices paid by Lessees to USGS are from time to time subject to dispute. In the event USGS requests a unit price different from the price being paid by Lessees, the parties agree that the unit price requested by USGS shall be used in computing the volume weighted average of unit prices under Article 7.3.

ARTICLE VIII

PAYMENTS AND ACCOUNTING

8.1 Billing. Seller shall furnish Buyer monthly, on or before the tenth (10th) business day of each month after delivery of gas, a statement of account of all gas delivered through the Point of Delivery during the immediately preceding month according to the best information available to Seller, the price or prices applicable thereto according to the best information available to Seller, the basis for computation of the applicable price or prices in full detail and the total net amount due. Seller shall thereafter adjust its initial billings pursuant to Article 8.5. Buyer and its authorized agents shall be permitted access during reasonable business hours to Seller's books and records pertinent to this Agreement to determine the correctness of the billings of Seller to the extent not contrary to law.

8.2 Payment. Buyer shall make payment on or before the twenty-fifth day of the calendar month in which such statement is rendered or fifteen (15) days after rendition of the invoice called for in Article 8.1, whichever is later, by direct wire transfer of federal reserve funds through the Federal Reserve Bank wire transfer system to the following address or such other address as Seller may designate upon seven (7) days' prior written notice:

Bank of America, NT & SA  
San Francisco, California  
Securities Department 3255  
Credit to: State of Alaska  
Investment Account

All payments to be made under this Agreement shall be paid in the same manner. If payment is to be made on a Saturday, Sunday or legal holiday under the preceding provisions hereof, payment shall be made on the next following business day.

8.3 Billing Disputes. Should any portion of the account furnished to Buyer by Seller be disputed in good faith, Buyer and Seller agree to mutually arrive at a fair and equitable resolution of such dispute, if possible, and Buyer agrees to pay the amount so determined to be due to Seller within fifteen (15) days after such resolution. Buyer shall pay for such amounts as it does not in good faith dispute in accordance with the provisions of Article VIII.

8.4 Late Payment Charge. If Buyer fails to make timely payment to Seller of any amount due under this Agreement, including any payment delayed by a bonafide dispute which is later determined to be validly owing, or if Buyer is required to pay and does pay any amount which is later determined not to be validly payable to Seller, interest shall accrue and be payable on said sum from the date when such payment was due or was paid, as the case may be, until the same is paid or repaid, at the lower of (i) a rate per annum equal to the prime rate then being charged by Chemical Bank of New York, New York, plus one and one-quarter percent (1-1/4%) per annum, or (ii) the maximum lawful rate of interest per annum which may be charged to Buyer under the laws of the State of Alaska.

8.5 Adjustments to Billings. Each month Seller may adjust its statement of accounts to reflect the actual amounts delivered and the price or prices applicable thereto. Seller shall from time to time adjust its prior billings to reflect (i) adjustments necessitated as a result of the filing with the Seller by the Lessees of more current reports applicable to the billing period in question; (ii) actual adjustments necessitated as a result of changes to values, receipts, costs and computations previously reported by the Lessees and utilized by Seller as a basis for billing under Article 8.1; (iii) adjustments required as a result of clerical or arithmetical errors in the billings of Lessees or of Seller; or (iv) other adjustments as appropriate; provided, however, that no adjustments under this Article 8.5 may be made more than 12 months after the original billing.

Any adjustments to any billing under the provisions of this Article 8.5 made by Seller more than sixty (60) days after such billing was initially rendered shall be paid to or refunded by Buyer or Seller over the same period over which such adjustments accrued.

8.6 Cancellation in Event of Non-Payment. Except for amounts disputed in good faith, should Buyer fail to make any payment due to Seller under this Agreement (i) within thirty (30) days from the date said payment is due or (ii) within fifteen (15) days from the date that Seller

gives written notice of non-payment to Buyer, whichever occurs earlier, Seller may, at its option, terminate this Agreement.

## ARTICLE IX

### TERM

9.1 This Contract shall become effective upon the execution hereof and approval as required by the laws of the State of Alaska and shall continue and remain in effect for twenty (20) years from the date of first delivery, unless sooner terminated under the provisions of this Agreement.

9.2 Seller's obligations hereunder are contingent upon Seller arranging with Lessees for satisfactory transportation of royalty gas sold hereunder to the Point of Delivery. If, after exercising Seller's best efforts, Seller is unable to arrange such transportation on terms satisfactory to Seller, Seller shall give notice to Buyer and this Agreement shall terminate thirty (30) days after said notice.

9.3 Either party may terminate this Contract by giving seven (7) months written notice to the other party.

## ARTICLE X

### DEFAULT

10.1 If

(i) either party shall fail to perform any covenants or obligations imposed upon it by this Agreement, except when such failure shall be excused under the force majeure provisions of Article XI, or

- (ii) Buyer becomes insolvent or commits any act constituting an act of bankruptcy, or
- (iii) Buyer voluntarily files an action under the United States Bankruptcy Act, or
- (iv) Buyer fails to obtain the dismissal of any involuntary bankruptcy proceedings filed against it under the provisions of the United States Bankruptcy Act within thirty (30) days of the filing thereof,

then and in any such event, the other party may, at its option and without waiving any other remedy for breach hereof, indicate such party's election to cancel this Agreement by notice in writing specifying in detail wherein the default has occurred. Except for the instances stipulated in Articles 10.1 (ii) through (iv) above, and except for payment by Buyer to Seller, which shall be governed by Article 8.6, the party in default shall have thirty (30) days from the receipt of such notice to remedy such default and to pay the other party for all loss or damage incurred as a result of such default and indemnify such party against future claims or loss arising out of such default. Upon failure of the defaulting party to remedy its breach within the time stipulated above, this Agreement may be cancelled by the non-defaulting party by service of written notice thereof upon the defaulting party. Any cancellation under

Article 8.6 or this Article shall not prejudice the right of the party not in default to collect any amounts due it hereunder for any damage or loss suffered by it and shall not waive any other remedy to which the party not in default may be entitled for breach of this Agreement.

10.2 It is agreed that if Buyer shall for any reason fail to take the royalty gas hereunder as and when made available to Buyer, Buyer shall nevertheless pay Seller as though it had taken delivery of said royalty gas, unless Seller, through an understanding with Lessees, is able to cancel delivery of the gas. In the event of any cancellation or termination of this Agreement, Buyer shall have an obligation to continue to purchase Seller's royalty gas for up to seven (7) months following termination or cancellation of this Agreement if Seller, in its discretion, so requires.

10.3 No default or breach of, or failure of performance under, this Agreement shall be deemed to have occurred under this Agreement unless such default, breach or failure of performance is material or substantial under all the circumstances or involves the non-payment of any sum due under this Agreement which is not the subject of a bona fide dispute.

#### ARTICLE XI

#### FORCE MAJEURE

11.1 Except for Buyer's and Seller's obligations to make payment under this Agreement and except for Buyer's obligation to take gas delivered neither party hereto shall

be liable for any failure to perform the terms of this Agreement when such failure is due in whole or substantial part to a force majeure as hereinafter defined; provided, however, that if an event constituting a force majeure shall prevent substantial performance of a party's obligations hereunder in light of all the circumstances, so as to prevent the party not claiming force majeure from obtaining the benefit of its bargain for a period in excess of four (4) years, said party not claiming force majeure shall have the option to terminate this Agreement. Said option must be exercised before the force majeure ceases to exist. The aforesaid proviso shall not permit the Seller to terminate in the event the force majeure in question is based upon Buyer's inability to obtain requisite state permits, authorizations, or licenses if Buyer has exercised the due diligence required by Article 11.2 (ix). Other remedies otherwise available for default or breach in the event of termination after such four year period shall not thereby be affected.

11.2 The term "force majeure" as employed in this Agreement shall mean (i) acts of God; (ii) strikes, lockouts or industrial disputes or disturbances; (iii) civil disturbances, arrests and restraint from rulers or people (iv) interruptions by laws, orders, rules, regulations, acts or restraints of any government or governmental body having

proper jurisdiction; (v) acts of the public enemy, wars, riots, blockades, insurrections, mobilization; (vi) acts of vandalism or sabotage; (vii) shortages, scarcity or inability to secure labor, fuel, power, equipment or materials (including inability to secure materials by reason of allocation promulgated by authorized governmental agencies), (viii) inability or failure of contractors or subcontractors to perform, (ix) inability to obtain requisite federal, state or other governmental permits, authorizations, or licenses provided the party claiming force majeure has exercised due diligence in attempting to obtain such permits, authorizations or licenses; (x) inability to ship materials because of unavailability of shipping, docking or wharfage not within the reasonable control of the party claiming the existence of force majeure; (xi) epidemics, landslides, lightning, earthquakes, fire, explosion, floods, washouts, storms, other unusual adverse weather conditions; (xii) breakdowns of machinery, equipment or lines of pipe; (xiii) freezing of wells, pipe lines or other equipment; (xiv) shutdowns necessary for making repairs or alterations to pipe lines or plants, mechanical failure, or the necessity of testing wells, machinery or lines of pipe as may be required by governmental authority or as may be deemed necessary by the testing party for the safe operation thereof whether or not of the kind herein enumerated; or (xv) any other event or condition otherwise not reasonably

within the control of the party claiming force majeure, whether or not similar to the enumerations of (i) through (xiv).

11.3 Upon the occurrence and discovery of an event constituting force majeure, the party claiming that the event is a force majeure shall notify the other party hereto of its claim of force majeure. The party claiming the existence of a force majeure shall, so far as reasonably possible, attempt to remedy such event with due diligence, and the obligations of the disabled party to perform under this Agreement, insofar as they are affected by such force majeure, shall be suspended from the time such force majeure occurs and for so long as the disability so caused should have continued had the party claiming the existence of the force majeure met its remedial obligations under this Article 11.3, and for no longer. The settlement of strikes or lockouts of industrial disputes or disturbances shall be entirely within the discretion of the party having the difficulty, and the above requirement that any force majeure shall be remedied with due diligence shall not require the settlement of strikes, lockouts or industrial disputes or disturbances by acceding to the demands of any opposing party therein when such course is inadvisable in the sole discretion of the disabled party.

ARTICLE XII

NOTICES

12.1 Notices. Any notice, request, demand or statement provided for in this Agreement must be in writing, and may be given by depositing same in the mail, addressed to the party to be notified, postage prepaid, and registered or certified, with a return receipt requested, or by delivery of same in person to such other party. Notice deposited in the mail in the manner hereinabove described shall be effective upon the expiration of seven (7) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice the addresses of the parties hereto shall be as follows:

If to Seller:                   State of Alaska  
                                  Commissioner of Natural Resources  
                                  Pouch "M"  
                                  Juneau, Alaska 99811

and

Commissioner of Revenue  
Pouch "S"  
Juneau, Alaska 99811

and

Director, Division of Minerals  
                                  and Energy Management  
703 W. Northern Lights Blvd.  
Anchorage, Alaska 99503

If to Buyer:                   Executive Manager  
                                  Municipal Utilities  
                                  Municipality of Anchorage  
                                  Pouch 6-650  
                                  Anchorage, Alaska 99502

General Manager  
Municipal Light and Power  
Utility  
Pouch 6-650  
Anchorage, Alaska 99502

12.2 Change of Address. Each party may change its address for notice by giving notice thereof in the manner hereinabove provided.

### ARTICLE XIII

#### WAIVER

13.1 The failure of Seller or Buyer to insist upon strict performance of any provision hereof shall not constitute a waiver of, or estoppel against asserting, the right to require such performance in the future; a waiver or estoppel in any one instance shall not constitute a waiver or estoppel with respect to a later breach of a similar nature or otherwise; and a course of performance established by a party shall likewise not estop the other party from complaining of a later breach similar in nature.

### ARTICLE XIV

#### RECORDS

14.1 Buyer and Seller will preserve and maintain all books, accounts and records relating to or arising out of the performance of this Agreement. Buyer will also maintain and preserve all similar books, accounts and records of which it has possession belonging to those third parties

with whom it contracts for the performance of various parts of this Agreement. Neither Buyer nor Seller shall be required to retain any records for more than six (6) years unless retention of such records is specifically required by applicable law or regulation. Buyer shall maintain its records within the State of Alaska.

14.2 Buyer and Seller will accord to each other and to their authorized agents, attorneys and auditors during reasonable business hours access to any and all property, records, books, documents and indexes thereto directly relating to the Buyer's or Seller's performance of this Agreement and which are under the control of the party from which access is desired so that the other party may inspect, photograph and make copies of such property, records, books, documents and indexes thereto. Notwithstanding the foregoing, (i) Seller shall not be required to disclose any information, data or records which are required to be held confidential by applicable state law or regulation, and (ii) Buyer shall not be required to disclose any information, data or records containing trade secrets which Buyer or its Affiliates, contractors or subcontractors by contract with unaffiliated third parties have agreed to hold confidential. Seller shall notify Buyer of all information obtained, recorded or copied from Buyer's records in order that Buyer may evaluate the advisability of seeking that such information be held confidential by Seller under applicable law or regulation or under the provisions of this Article.

ARTICLE XV

RULES AND REGULATIONS: SOVEREIGN POWERS;  
ENVIRONMENTAL REGULATION AND STANDARDS

15.1. This Agreement and the covenants contained herein shall not be interpreted as a limit on the exercise by the State of Alaska of any of its sovereign or regulatory powers, whether inherent or as may be set forth by constitution, statute or regulation. This Agreement is subject to all present and future valid laws, orders, rules and regulations of the United States, the State of Alaska, or any duly constituted agency thereof.

ARTICLE XVI

GOVERNING LAW

16.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska, excluding any conflicts-of-law rule or principle which might refer such construction to the laws of another state or country.

ARTICLE XVII

SEVERABILITY

17.1 If any of the terms and conditions of this Agreement are held by any court or governmental authority of competent jurisdiction to contravene or to be invalid under the laws of any political body having jurisdiction over the subject matter hereof, such contravention or invalidity

shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, the rights and obligations of the parties hereto shall be construed and enforced accordingly if feasible, and this Agreement shall thereupon remain in full force and effect.

#### ARTICLE XVIII

##### AMENDMENT

18.1 This Agreement may be supplemented, amended or modified only by a written instrument duly executed by both the parties hereto after proper prior authorization, including approval by the Alaska Royalty Oil & Gas Development Advisory Board and the Alaska State Legislature, if approval of those bodies would be required by law for an original contract for sale of royalty gas at the time of the amendment.

#### ARTICLE XIX

##### SUCCESSORS AND ASSIGNS

19.1 No assignment of this Agreement shall be made by either party without first obtaining the written consent of the other party. The Commissioner may grant such consent on behalf of Seller. The Commissioner shall have sole and complete discretion in granting or denying a proposed assignment.

ARTICLE XX

EQUAL EMPLOYMENT OPPORTUNITY

20.1 Buyer will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age or sex. The Buyer will take affirmative action to insure that applicants are considered for employment, and that employees are treated during employment without regard to their race, color, religion, national origin, ancestry, age or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Buyer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

20.2 The Buyer shall state, in all solicitations or advertisements for employees to work, that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, age or sex.

20.3 The Buyer will send to each labor union or representative of workers with which the Buyer has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' representative of the Buyer's commitments under this Article and shall post copies of the notice in conspicuous places available to all employees and applicants for employment.

20.4 The Buyer agrees that it will fully cooperate with the office or agency of the State of Alaska which seeks to deal with the problem of unlawful or invidious discrimination, and with all other State efforts to guarantee fair employment practices under this Agreement, and Buyer will comply promptly with all reasonable requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practice. Full cooperation as expressed above shall include, but not be limited to, being a witness in any proceeding involving questions of unlawful or invidious discrimination if such is deemed necessary by any official or agency of the State of Alaska; permitting employees of Buyer to be witnesses or complainants in any proceeding involving questions of unlawful or invidious discrimination, if such is deemed necessary by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present

and future employment; assisting in inspection of any facility site during and after the construction of such facility for handling, processing, or otherwise dealing with the gas sold under this Agreement; and promptly complying with all directives deemed essential by any office or agency of the State of Alaska to insure compliance with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practices.

#### ARTICLE XXI

#### LOCAL HIRE AND TRAINING

##### 21.1

(1) Buyer will comply with all applicable Alaska statutes and regulations in effect at the time this Agreement becomes effective as well as all amendments thereto and subsequent enactments providing for local or resident hire.

(2) In addition, and subject to compliance with other requirements of state or federal law or regulation, Buyer will give preference to hiring qualified and available residents over nonresidents for all work to be performed in the construction, operation and maintenance of any facility handling, processing, or otherwise dealing with the gas sold under this Agreement. Buyer shall not discriminate against Alaska residents by differentiating between residents and nonresidents in payment of wages, salaries, fringe benefits and working conditions. Nothing shall prohibit the Buyer

from hiring Alaska residents through private sources. However, if private sources are unable to supply qualified Alaska residents, Buyer shall then allow the Alaska Department of Labor two days, excluding Saturdays, Sundays and state holidays, to produce qualified resident workers prior to the employment of nonresidents. If suitable resident workers are not provided within the specified time period, the Buyer may employ nonresidents possessing the qualifications necessary to perform the work. Notwithstanding the foregoing, the Buyer may hire nonresidents (i) on an emergency basis for the duration of any emergency, (ii) as casual or intermittent employees if their employment will not exceed thirty (30) working days, or (iii) as specially skilled employees when the Department of Labor agrees in advance that such specially skilled persons are unavailable within the State of Alaska.

(3) Buyer will use its best efforts to incorporate in any and all collective bargaining agreements into which it enters with labor unions covering work to be performed in the construction, operation and maintenance of any facility for the handling, processing, or otherwise dealing with the gas sold under this agreement, a provision or provisions requiring the unions' dispatch procedures to be established and operated in a manner which will assure that qualified Alaska residents will be employed to perform said work.

(4) For purposes of this Article, "qualified" means capable, through education, training or experience, of performing the duties and satisfying the usual terms and conditions of the employment; if those duties, terms and conditions meet the reasonable standards of the industry as required of other employees performing the same type of work in the industry;

(5) For purposes of this Article, "resident" shall have the meaning determined by the Commissioner of the Department of Labor.

(6) The performance of this Article 21.1 shall not be interpreted to require any action which constitutes the violation of any federal or state law or regulation, particularly those relating to discrimination in hiring.

#### ARTICLE XXII

##### REQUIREMENTS OF FEDERAL LAW

22.1 This Agreement shall be subject to all lawful requirements or conditions imposed by federal law, and shall be deemed amended so as to conform to any such requirements.

#### ARTICLE XXIII

##### MISCELLANEOUS

23.1 The headings of this Agreement are inserted for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

23.2 Whenever the context requires, the gender of all words used in this Agreement shall include the masculine, feminine and neuter, and the number of all words shall include the singular and the plural.

23.3 This Agreement may be executed in any number of counterparts with the same effect as if Seller and Buyer had signed one document. All counterparts shall be construed together and shall constitute one and the same instrument.

23.4 In connection with this Agreement, as well as all transactions contemplated by this Agreement, Seller and Buyer agree to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all the terms, provisions and conditions of this Agreement and all such transactions.

23.5 Buyer and Seller agree that as to any approvals or consents required of either of them under this Agreement, such approvals or consents shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Seller has caused this Agreement to be executed by its Commissioner of Natural Resources and the Buyer has caused this Agreement to be executed by its Mayor, thereto duly authorized by its Municipal Assembly in accordance with the charter and

ordinances of the Municipality of Anchorage, as of the day and year first above written.

THE STATE OF ALASKA

ATTEST:

[Signature]

By:

[Signature]

Commissioner, Department of Natural Resources

"SELLER"

APPROVED AS TO FORM:

[Signature]

MUNICIPALITY OF ANCHORAGE

ATTEST:

[Signature]

By:

[Signature]

George M. Sullivan  
Mayor

"BUYER"

APPROVED AS TO FORM:

\_\_\_\_\_

THE STATE OF ALASKA )  
: )  
FIRST JUDICIAL DISTRICT )

ss.

THIS IS TO CERTIFY that on this 5<sup>th</sup> day of May, 1980, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Robert E. LeResche, to me known to be the Commissioner of Natural Resources for the STATE





# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

*James O. Smith*  
Signature of Camera Operator

*3/20/90*  
Date

Introduced: 2/18/80  
Referred: Finance

1 IN THE HOUSE

BY MCKINNON AND COTTEN

2 HOUSE JOINT RESOLUTION NO. 73

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Consti-  
6 tution of the State of Alaska relat-  
7 ing to incurring general obligation  
8 indebtedness for housing.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. Article IX, sec. 8, Constitution of the State of Alaska, is  
11 amended to read:

12 SECTION 8. STATE DEBT. No state debt shall be contracted unless  
13 authorized by law for capital improvements or for housing for residents  
14 of the State and ratified by a majority of the qualified voters of the  
15 State who vote on the question. The State may, as provided by law and  
16 without ratification, contract debt for the purpose of repelling  
17 invasion, suppressing insurrection, defending the State in war, meeting  
18 natural disasters, or redeeming indebtedness outstanding at the time  
19 this constitution becomes effective.

20 \* Sec. 2. The amendment proposed by this resolution shall be placed  
21 before the voters of the state at the next general election in conformity  
22 with art. XIII, sec. 1, Constitution of the State of Alaska, and the election  
23 laws of the state.

24  
25  
26  
27  
28  
29



7407  
Berner

Introduced: 2/18/80  
Referred: Finance

1 IN THE HOUSE

BY MCKINNON AND COTTEN

2 HOUSE JOINT RESOLUTION NO. 73

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Consti-  
6 tution of the State of Alaska relat-  
7 ing to incurring general obligation  
8 indebtedness for housing.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. Article IX, sec. 8, Constitution of the State of Alaska, is  
11 amended to read:

12 SECTION 3. STATE DEBT. No state debt shall be contracted unless  
13 authorized by law for capital improvements or for housing for residents  
14 of the State and ratified by a majority of the qualified voters of the  
15 State who vote on the question. The State may, as provided by law and  
16 without ratification, contract debt for the purpose of repelling  
17 invasion, suppressing insurrection, defending the State in war, meeting  
18 natural disasters, or redeeming indebtedness outstanding at the time  
19 this constitution becomes effective.

20 \* Sec. 2. The amendment proposed by this resolution shall be placed  
21 before the voters of the state at the next general election in conformity  
22 with art. XIII, sec. 1, Constitution of the State of Alaska, and the election  
23 laws of the state.

ALASKA STATE LEGISLATURE

....11th Legislature 2nd.... Session

HOUSE JOINT RES... NO. 73.....

By . MCKINNON AND COTTEN.....

Proposing an amendment to the Constitution of the State of Alaska relating to incurring general obligation indebtedness for housing.

Amend. Ak. Constitution/incur. g.o. indebtedness for housing

Introduced in the House ...2/18..., 19.80

HISTORY IN THE HOUSE

19 80	Read first time and referred to Committee on Finance												
Feb. 18	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <tr><td>Reconsideration</td><td></td></tr> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												
CHIEF CLERK OF THE HOUSE													

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <tr><td>Reconsideration</td><td></td></tr> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by President												
	Returned to House												
SECRETARY OF THE SENATE													

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
	..... By Governor
	Filed with Lt. Governor
	Chapter No. ....



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith  
Signature of Camera Operator

3/20/90  
Date



# RECORDS



# CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

*James O. Smith*  
Signature of Camera Operator

*3/20/90*  
Date

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST HJR 75, 76, 77, 78, 79  
 Bill/Resolution No. HJR 55, 56, 57, 58 & 59  
 Title Rel. to Ak. Power Auth. and incurring of rev. bond indebtedness for  
 Requested by the financing of various lines and equip. Date April 1, 1980

II. FISCAL DETAIL  
 Agency Affected Dept. of Commerce and Economic Development  
 Program Category Affected Development  
 BRU, Program, or Subprogram(s) Affected Alaska Power Authority  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Passage of these resolutions carries no fiscal impact.

IV. DATE April 1, 1980 PREPARED BY David Creekman  
 AGENCY Dept. of Commerce & Economic Development  
 PHONE 465-2504  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

Introduced: 2/21/80  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 75

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Author-  
6 ity, and the incurring of revenue  
7 bond indebtedness of the Alaska Power  
8 Authority for the Homer Electric  
9 Association for the financing of  
10 acquisition and installation of new  
11 consumer connections and electric  
12 power distribution lines in the area  
13 served by the Homer Electric Associ-  
14 ation.

15 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

16 WHEREAS the Homer Electric Association, Inc., a Rural Electric Associ-  
17 ation cooperative, plans to construct, acquire and install approximately  
18 3,750 new consumer connections and approximately 250 miles of electric power  
19 distribution lines; and

20 WHEREAS the Homer Electric Association, Inc., has submitted an appli-  
21 cation to the Alaska Power Authority for assistance in financing the consumer  
22 connections and distribution lines project, and the Alaska Power Authority  
23 has by resolution determined to sell its bonds to finance the project; and

24 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
25 the governor and to the legislature a statement of its recommendations for  
26 financing the Homer Electric Association project and a statement outlining  
27 the general design, demonstration of financial feasibility, and maximum  
28 amount of revenue bonds and appropriations necessary for the project; and

29 WHEREAS, the statements of the Alaska Power Authority submitted to the

1 governor and to the legislature fully satisfy the requirements contained in  
2 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

3 WHEREAS according to the statements of the Alaska Power Authority, the  
4 authority intends, through the issuance of revenue bonds, to finance the  
5 Homer Electric Association project only and not to construct, acquire or own  
6 the project; and

7 WHEREAS the statements of the Alaska Power Authority provide that the  
8 project is to be designed, acquired and constructed by the Homer Electric  
9 Association, Inc., under an agreement with the Alaska Power Authority which  
10 will provide that the Alaska Power Authority has ownership rights in the  
11 project only as may be necessary to secure the payment of the revenue bond  
12 indebtedness; and

13 WHEREAS the costs to be incurred in financing the project will require  
14 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
15 estimated amount not to exceed \$3,360,000; and

16 WHEREAS it is in the best interests of the state that revenue bonds of  
17 the Alaska Power Authority be issued to finance the cost of the project;

18 BE IT RESOLVED by the Alaska State Legislature that the general design  
19 of the Homer Electric Association, Inc. project to construct, acquire and  
20 install consumer connections and electric power distribution lines, and the  
21 incurring of revenue bond indebtedness by the Alaska Power Authority in a  
22 maximum amount not to exceed \$3,360,000 to pay the costs of the project are  
23 approved; and be it

24 FURTHER RESOLVED that the \$3,360,000 may be combined in one bond issue  
25 with the amount needed to finance other Rural Electric Association coopera-  
26 tive projects approved by the legislature in accordance with AS 44.56.180.  
27  
28  
29

(11)

# COMMITTEE REPORT

## HOUSE

4/2/80

FURTHER:

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE has had HJR 75

"Relating to the Alaska Power Authority, and the incurring of revenue bond indebtedness of the Alaska Power Authority for the Homer Electric Association for the financing of acquisition and installation of new consumer connections and electric power distribution lines in the area served by the Homer Electric Association."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
CHAIRMAN



8133  
Berrier

Introduced: 2/21/80  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 75

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Author-  
6 ity, and the incurring of revenue  
7 bond indebtedness of the Alaska Power  
8 Authority for the Homer Electric  
9 Association for the financing of  
10 acquisition and installation of new  
11 consumer connections and electric  
12 power distribution lines in the area  
13 served by the Homer Electric Associ-  
14 ation.

15 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

16 WHEREAS the Homer Electric Association, Inc., a Rural Electric Associ-  
17 ation cooperative, plans to construct, acquire and install approximately  
18 3,750 new consumer connections and approximately 250 miles of electric power  
19 distribution lines; and

20 WHEREAS the Homer Electric Association, Inc., has submitted an appli-  
21 cation to the Alaska Power Authority for assistance in financing the consumer  
22 connections and distribution lines project, and the Alaska Power Authority  
23 has by resolution determined to sell its bonds to finance the project; and

24 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
25 the governor and to the legislature a statement of its recommendations for  
26 financing the Homer Electric Association project and a statement outlining  
27 the general design, demonstration of financial feasibility, and maximum  
28 amount of revenue bonds and appropriations necessary for the project; and

29 WHEREAS, the statements of the Alaska Power Authority submitted to the

1 governor and to the legislature fully satisfy the requirements contained in  
2 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

3 WHEREAS according to the statements of the Alaska Power Authority, the  
4 authority intends, through the issuance of revenue bonds, to finance the  
5 Homer Electric Association project only and not to construct, acquire or own  
6 the project; and

7 WHEREAS the statements of the Alaska Power Authority provide that the  
8 project is to be designed, acquired and constructed by the Homer Electric  
9 Association, Inc., under an agreement with the Alaska Power Authority which  
10 will provide that the Alaska Power Authority has ownership rights in the  
11 project only as may be necessary to secure the payment of the revenue bond  
12 indebtedness; and

13 WHEREAS the costs to be incurred in financing the project will require  
14 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
15 estimated amount not to exceed \$3,360,000; and

16 WHEREAS it is in the best interests of the state that revenue bonds of  
17 the Alaska Power Authority be issued to finance the cost of the project;

18 BE IT RESOLVED by the Alaska State Legislature that the general design  
19 of the Homer Electric Association, Inc. project to construct, acquire and  
20 install consumer connections and electric power distribution lines, and the  
21 incurring of revenue bond indebtedness by the Alaska Power Authority in a  
22 maximum amount not to exceed \$3,360,000 to pay the costs of the project are  
23 approved; and be it

24 FURTHER RESOLVED that the \$3,360,000 may be combined in one bond issue  
25 with the amount needed to finance other Rural Electric Association coopera-  
26 tive projects approved by the legislature in accordance with AS 44.56.180.  
27  
28  
29

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSE JOINT RES. NO. 75

By THE RULES COMMITTEE

"Relating to the Alaska Power Authority, and the incurring of revenue bond indebtedness of the Alaska Power Authority for the Homer Electric Association for the financing of acquisition and installation of new consumer connections and electric power distribution lines in the area served by the Homer Electric Association."

Rev bonds, Homer Electric Assoc

Introduced in the House 2/21, 1980

HISTORY IN THE HOUSE

1980	Read first time and referred to Committee on										
Feb 21	<b>Resources and Finance</b> Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	<p>Reconsideration</p> <table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	Reported correctly engrossed Signed by Speaker Sent to Senate										
CHIEF CLERK OF THE HOUSE											

HISTORY IN THE SENATE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	<p>Reconsideration</p> <table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	Reported correctly engrossed Signed by President Returned to House										
SECRETARY OF THE SENATE											

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor  ..... by Governor
	Filed with Lt. Governor
	Chapter No. ....



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

*James O Smith*  
Signature of Camera Operator

*3/20/90*  
Date

Introduced: 2/21/80  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 76

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Author-  
6 ity, and the incurring of revenue  
7 bond indebtedness of the Alaska Power  
8 Authority for the Naknek Electric  
9 Association for the financing of  
10 acquisition and installation of a new  
11 diesel-powered electric power genera-  
12 tor in Naknek.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 WHEREAS the Naknek Electric Association, a Rural Electric Association  
15 cooperative, plans to construct, acquire and install a 1,000 kilowatt capa-  
16 city diesel-powered electric power generator in Naknek; and

17 WHEREAS the Naknek Electric Association has submitted an application to  
18 the Alaska Power Authority for assistance in financing the generator project,  
19 and the Alaska Power Authority has by resolution determined to sell its bonds  
20 to finance the project; and

21 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
22 the governor and to the legislature a statement of its recommendations for  
23 financing the generator project and a statement outlining the general design,  
24 demonstration of financial feasibility, and maximum amount of revenue bonds  
25 and appropriations necessary for the project; and

26 WHEREAS, the statements of the Alaska Power Authority submitted to the  
27 Governor and to the legislature fully satisfy the requirements contained in  
28 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

29 WHEREAS, according to the statements of the Alaska Power Authority, the

1 authority intends, through the issuance of revenue bonds, to finance the  
2 generator project only and not to construct, acquire or own the project; and

3 WHEREAS the statements of the Alaska Power Authority provide that the  
4 project is to be designed, acquired and constructed by the Naknek Electric  
5 Association under an agreement with the Alaska Power Authority which will  
6 provide that the Alaska Power Authority has ownership rights in the project  
7 only as may be necessary to secure the payment of the revenue bond indebted-  
8 ness; and

9 WHEREAS the costs to be incurred in financing the generator project will  
10 require the issuance of revenue bonds of the Alaska Power Authority in a  
11 maximum estimated amount not to exceed \$730,000; and

12 WHEREAS it is in the best interests of the state that revenue bonds of  
13 the Alaska Power Authority be issued to finance the cost of the generator  
14 project;

15 BE IT RESOLVED by the Alaska State Legislature that the general design  
16 of the Naknek Electric Association project to construct, acquire and install  
17 a diesel-powered electric power generator, and the incurring of revenue bond  
18 indebtedness by the Alaska Power Authority in a maximum amount not to exceed  
19 \$730,000 to pay the costs of the project are approved; and be it

20 FURTHER RESOLVED that the \$730,000 may be combined in one bond issue  
21 with the amount needed to finance other Rural Electric Association coopera-  
22 tive projects approved by the legislature in accordance with AS 44.56.180.  
23  
24  
25  
26  
27  
28  
29

COMMITTEE REPORT

(11)

HOUSE

4/2/80

FURTHER:

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE has had HJR 76

"Relating to the Alaska Power Authority, and the incurring of revenue bond indebtedness of the Alaska Power Authority for the Naknek Electric Association for the financing of acquisition and installation of a new diesel-powered electric power generator in Naknek."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

---

---

---

---

---

---

---

---

---

---

---



---

---

---

---

---

---

---

---

---

---

---

\_\_\_\_\_  
CHAIRMAN

COMMITTEE REPORT

(9)

HOUSE

4/2

2/21/80

FURTHER: FINANCE

Date: 4/1/80

Mr. Speaker:

The Committee on RESOURCES has had HJR 76

"Relating to the Alaska Power Authority, and the incurring of revenue bond indebtedness of the Alaska Power Authority for the Naknek Electric Association for the financing of acquisition and installation of a new diesel-powered electric power generator in Naknek."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- [X] do pass [ ] do not pass
[ ] do pass with attached amendments(s) [ ] same title
[ ] replace with CS for [ ] new title
and recommends
[ ] AND attaches a "Letter of Intent" [ ] New Fiscal Note
[ ] reports it back without recommendation
[ ] referred to the Committee

MEMBERS SIGNING DO PASS

Handwritten signatures of committee members: Fred A. Zhan, John Bull, Dan Gots, Robert L. Cunningham, Robert L. Cunningham, Kirk Halford, B. Utz.

MEMBERS HAVING OTHER RECOMMENDATIONS:

Blank lines for other recommendations and a signature for the Chairman: B. Utz.

CHAIRMAN

8134  
Bernie

Introduced: 2/21/80  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 76

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Author-  
6 ity, and the incurring of revenue  
7 bond indebtedness of the Alaska Power  
8 Authority for the Naknek Electric  
9 Association for the financing of  
10 acquisition and installation of a new  
11 diesel-powered electric power genera-  
12 tor in Naknek.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 WHEREAS the Naknek Electric Association, a Rural Electric Association  
15 cooperative, plans to construct, acquire and install a 1,000 kilowatt capa-  
16 city diesel-powered electric power generator in Naknek; and

17 WHEREAS the Naknek Electric Association has submitted an application to  
18 the Alaska Power Authority for assistance in financing the generator project,  
19 and the Alaska Power Authority has by resolution determined to sell its bonds  
20 to finance the project; and

21 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
22 the governor and to the legislature a statement of its recommendations for  
23 financing the generator project and a statement outlining the general design,  
24 demonstration of financial feasibility, and maximum amount of revenue bonds  
25 and appropriations necessary for the project; and

26 WHEREAS, the statements of the Alaska Power Authority submitted to the  
27 governor and to the legislature fully satisfy the requirements contained in  
28 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

29 WHEREAS, according to the statements of the Alaska Power Authority, the

1 authority intends, through the issuance of revenue bonds, to finance the  
2 generator project only and not to construct, acquire or own the project; and

3 WHEREAS the statements of the Alaska Power Authority provide that the  
4 project is to be designed, acquired and constructed by the Naknek Electric  
5 Association under an agreement with the Alaska Power Authority which will  
6 provide that the Alaska Power Authority has ownership rights in the project  
7 only as may be necessary to secure the payment of the revenue bond indebted-  
8 ness; and

9 WHEREAS the costs to be incurred in financing the generator project will  
10 require the issuance of revenue bonds of the Alaska Power Authority in a  
11 maximum estimated amount not to exceed \$730,000; and

12 WHEREAS it is in the best interests of the state that revenue bonds of  
13 the Alaska Power Authority be issued to finance the cost of the generator  
14 project;

15 BE IT RESOLVED by the Alaska State Legislature that the general design  
16 of the Naknek Electric Association project to construct, acquire and install  
17 a diesel-powered electric power generator, and the incurring of revenue bond  
18 indebtedness by the Alaska Power Authority in a maximum amount not to exceed  
19 \$730,000 to pay the costs of the project are approved; and be it

20 FURTHER RESOLVED that the \$730,000 may be combined in one bond issue  
21 with the amount needed to finance other Rural Electric Association coopera-  
22 tive projects approved by the legislature in accordance with AS 44.56.180.  
23  
24  
25  
26  
27  
28  
29