

**NORTHWEST ARCTIC BOROUGH  
RESOLUTION 13-61**

**A RESOLUTION OF THE NORTHWEST ARCTIC BOROUGH ASSEMBLY  
TO APPROVE CONTINUED NEGOTIATIONS WITH GCI REGARDING THE  
CONSTRUCTION AND FINANCING OF THE TERRA (TERRESTRIAL FOR  
EVERY REGION OF RURAL ALASKA) NETWORK AND RELATED PURPOSES.**

**WHEREAS**, the Northwest Arctic Borough Assembly is the governing body of the Northwest Arctic Borough; and

**WHEREAS**: GCI is the largest telecommunication company in Alaska; and

**WHEREAS**: GCI is in the process of constructing Alaska's first statewide mobile wireless network, which will link urban and rural Alaska for the first time in the state's history; and

**WHEREAS**: The building of this communications network for remote and rural Alaska is known as TERRA, terrestrial for every region of rural Alaska; and

**WHEREAS**: The most recent phase of TERRA was an extension of service to Unalakleet and Nome (2013) and the next phase to be completed is Kotzebue, completion in 2014; and

**WHEREAS**: The TERRA project has cost \$206 million, of which \$123.5 million was private capital, \$50 million was a grant and \$32.5 million was the yield from three prior New Market Tax Credit transactions; and

**WHEREAS**: New Markets Tax Credits (NMTC) is a federal program to attract investment into low income communities that was established in 2000, and has invested \$36.5 billion in projects; and

**WHEREAS**: Other NMTC projects in Alaska include the Maniilaq Elder Care Facility, Goodnews Bay Regional Salmon Processing Plant, Yukon-Koyukuk Elder Assisted Living Facility, and Covenant House Teen Engagement Center; and

**WHEREAS**: In order to complete the TERRA ring GCI needs additional NMTC transactions; and

**WHEREAS**: Receiving a NMTC award has become increasingly competitive and GCI believes that a public-private partnership between NAB and GCI would be a successful applicant for an NMTC allocation; and

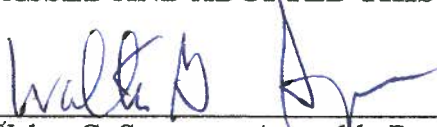
**WHEREAS**: The NAB would benefit from this partnership by increasing the capacity and reliability of the TERRA network that will be serving Kotzebue in 2014; opening up satellite capacity for our other NAB villages; creating a 7-year revenue stream for the NAB; and giving GCI the ability to bring TERRA to other NAB villages in the future; and

**WHEREAS**: The proposed transaction will be structured so that no investment is required by the NAB, and that all transaction risks are fully indemnified by GCI.

**NOW THEREFORE BE IT RESOLVED:** by the Northwest Arctic Borough Assembly, for and on behalf of the Northwest Arctic Borough:

1. The Mayor is authorized to continue negotiating with GCI regarding the construction and financing of the TERRA network.
2. The Mayor will keep the NAB Assembly updated on the transaction as the matter proceeds and will bring any final agreement to the Assembly for approval.
3. This resolution shall be effective upon enactment.


**PASSED AND ADOPTED THIS 3<sup>RD</sup> DAY OF SEPTEMBER 2013.**

  
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Walter G. Sampson, Assembly President

**PASSED AND APPROVED THIS 3<sup>RD</sup> DAY OF SEPTEMBER 2013.**

  
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Reggie Joule, Mayor

**SIGNED AND ATTESTED THIS 3<sup>RD</sup> DAY OF SEPTEMBER 2013.**

  
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Amanda Sage, Borough Clerk

**ATTEST:**

