

CLERK'S OFFICE

APPROVED

Date: 11-21-00

Submitted by: Chairman of the Assembly at the Request  
of the Mayor

Prepared by: Anchorage Water & Wastewater Utility

For reading: NOVEMBER 7, 2000

ANCHORAGE, ALASKA

AR No. 2000-327

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING STATE OF ALASKA DRINKING WATER FUND LOAN OFFERS IN THE TOTAL AGGREGATE AMOUNT OF SIX MILLION DOLLARS (\$6,000,000) FOR FINANCING A PORTION OF THE COSTS OF THE ANCHORAGE LOOP TRANSMISSION MAIN PHASE VI AND THE SOUTH ADDITION WOODSTAVE UPGRADE PROJECTS.

WHEREAS, the State of Alaska (the "State") has, pursuant to Alaska Statutes 46.03.032 and 18 AAC 76.005 et seq. of the Alaska Administrative Code, established the Alaska Drinking Water Fund (the "Fund"), a fund which makes use of U.S. Government grants as authorized by the Drinking Water Act, as amended by P.L. 104-182; and

WHEREAS, the Municipality of Anchorage (the "Municipality") is eligible to borrow from the Fund for the purposes of planning, designing, constructing, equipping, modifying, improving and expanding public water treatment, transmission and distribution facilities; and

WHEREAS, the Assembly of the Municipality in its Ordinance No. **AO 2000-24** on **January 25, 2000**, determined it was necessary to proceed to plan, design, develop, construct, equip, acquire property for, or otherwise obtain items of capital improvements in connection with the **Anchorage Loop Water Transmission Main Phase VI and South Addition Woodstave Upgrades** projects; authorized the borrowing of an amount not to exceed **\$6,000,000** from the Fund for the purpose of financing a portion of the cost of said Projects; and authorized and directed the General Manager of the Anchorage Water & Wastewater Utility ("AWWU") to complete and submit to the State Department of Environmental Conservation ("DEC") applications to borrow money from the Fund and to negotiate with the DEC the terms of such loans; and

WHEREAS, AWWU has submitted applications for loans in connection with the **Anchorage Loop Water Transmission Main Phase VI and South Addition Woodstave Upgrade** projects, said applications for these loans has been approved, and AWWU has negotiated the terms of two loans from the Fund in the amount of **\$5,000,000 and \$1,000,000 respectively**, for a total of **\$6,000,000** to finance a portion of the costs of the Projects; and

WHEREAS, the terms and conditions of said loans are contained in the Alaska Drinking Water Fund Loan Agreements between the Municipality and DEC, dated **July 12, 2000**; and

WHEREAS, it is hereby found to be in the best interest of the Municipality that terms of said loan offers be approved and that the Loan Agreements be executed on behalf of the Municipality.

NOW THEREFORE, BE IT RESOLVED THE MUNICIPALITY OF ANCHORAGE, as follows:

Section 1. **Loan Proceeds:** The subject loan proceeds in the total aggregate amount of **Six Million, Dollars (\$6,000,000)** are hereby accepted and appropriated.

Section 2. **Loan Terms:** The following primary terms of the loans are among those incorporated in the Loan Agreements as hereby specifically approved:

Principal Amount:	Not to exceed <b>\$5,000,000 and \$1,000,000</b> respectively for a total aggregate amount of <b>\$6,000,000</b> (subject to individual draws)
Interest Rate:	<b>4.2%</b> per annum
Interest Accrual:	Accrual of interest will begin one year after the date of the first disbursement to the Municipality.

AM 1018-2000

**Section 4. Effective Date:** This Resolution shall take effect immediately.

*Taylor Lemming*  
Chairman

  
Municipal Clerk