

AR

99-188

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

Prepared by: Anchorage Water & Wastewater Utility

For reading: July 20, 1999

CLERK'S OFFICE

APPROVED

Date:

8-10-99

ANCHORAGE, ALASKA

AR No. 99-188

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND
2 APPROPRIATING AN ALASKA CLEAN WATER FUND LOAN OFFER IN THE AMOUNT
3 OF ONE MILLION FOUR HUNDRED TEN THOUSAND DOLLARS (\$1,410,000) FOR
4 FINANCING A PORTION OF THE COSTS OF FY99 MISCELLANEOUS SMALL SEWER
5 REPLACEMENT AND REHABILITATION (R&R) PROJECTS, PHASE I
6
7

8 WHEREAS, the State of Alaska (the "State") has, pursuant to Alaska Statutes
9 46.03.032 and 18 AAC 76.005 et seq. of the Alaska Administrative Code, established the
10 Alaska Clean Water Fund (the "Fund"), a fund which makes use of U.S. Government grants
11 as authorized by the Clean Water Act, as amended by P.L. 100-4; and;

12 WHEREAS, the Municipality of Anchorage (the "Municipality") is eligible to borrow
13 from the Fund for the purposes of planning, designing, constructing, equipping, modifying,
14 improving and expanding public wastewater collection, treatment and discharge facilities;
15 and

16 WHEREAS, the Assembly of the Municipality, in its Ordinance No. AO 98-151 on
17 September 15, 1998, determined it was necessary to proceed to plan, design, develop,
18 construct, equip, acquire property for, or otherwise obtain items of capital improvements in
19 conjunction with the **FY99 Miscellaneous Small Sewer R&R Projects, Phase I**,
20 hereinafter "Project"; and authorized the borrowing of an amount not to exceed **\$1,410,000**
21 from the Fund for the purpose of financing a portion of the cost of said Project; and
22 authorized and directed the General Manager of the Anchorage Water & Wastewater Utility
23 ("AWWU") to complete and submit to the State Department of Environmental Conservation
24 ("DEC") an application to borrow money from the Fund and to negotiate with the DEC the
25 terms of said loan; and

26 WHEREAS, AWWU has submitted an application for loan funds in conjunction with
27 the Project, said application for loan funds has been approved, and AWWU has negotiated
28 the terms of this loan from the Fund in the amount of \$1,410,000 to finance a portion of the
29 costs of the Project; and

30 WHEREAS, the terms and conditions of said loan are contained in the Alaska Clean
31 Water Fund Loan Agreement between the Municipality and DEC entered into as of
32 November 30, 1998; and

33 WHEREAS, it is hereby found to be in the best interest of the Municipality that said
34 loan offer be accepted and appropriated, and that the Loan Agreement be executed on
35 behalf of the Municipality.

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

38 Section 1. Loan Proceeds: The subject loan proceeds in the amount of One Million
39 Four Hundred Ten Thousand Dollars (\$1,410,000) are hereby accepted and appropriated
40

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

Principal Amount:	Not to exceed \$1,410,000 (subject to individual draws)
Interest Rate:	3.52% per annum
Interest Accrual:	Interest on each draw begins to accrue from the date funds are available to AWWU
Term:	20 years from the date of Initiation of Operation
Date of First Payment:	One year following the date of Initiation of Operation
Payment Interval:	Annual
Amortization Schedule:	Level, fully amortizing
Security:	A pledge of the Gross Revenues less the Operating Expenses of the System as those terms are defined in Ordinance No. AO No. 98-151; provided that if such monies are not sufficient, repayment of the loan shall be from any legally available funds accruing to or in the possession of the Municipality; and provided further that repayment of the loan is not a direct obligation of the Municipality and neither the faith and credit nor the taxing power of the Municipality are pledged therefor.

Section 3. Acceptance and Executing of Loan Agreement: The Loan Offer is accepted and appropriated, and the Mayor, together with the Municipal Manager, Chief Fiscal Officer of the Municipality and the General Manager of AWWU, are hereby authorized, empowered and directed to execute and deliver the Loan Agreement for and on behalf of the Municipality, including necessary counterparts, and, from and after the executing and delivery of the Loan Agreement, the Mayor, the Municipal Manager, the Chief Fiscal Officer of the Municipality and the General Manager of AWWU, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

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

PASSED AND APPROVED by the Anchorage Assembly, this 10th day of August, 1999.


Chairman

ATTEST

Fund (0557) Account (1310)
Anchorage Wastewater Utility - \$1,410,000 (Designated Loan)


Municipal Clerk