

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

Prepared by: Anchorage Water & Wastewater Utility

For reading: MARCH 7, 2000

CLERK'S OFFICE

APPROVED

Date: 3-21-00

ANCHORAGE, ALASKA

AR No. 2000- 55

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE TOTAL AGGREGATE AMOUNT OF TEN MILLION NINE HUNDRED THOUSAND DOLLARS (\$10,900,000) FOR FINANCING A PORTION OF THE COSTS OF THE ASPLUND WASTEWATER FACILITY SOLIDS HANDLING PROJECT, AWWU OPERATIONS FACILITY PHASE III AND SEPTAGE RECEIVING STATION 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 Clean Water Fund (the "Fund"), a fund which makes use of U.S. Government grants as authorized by the Clean Water Act, as amended by P.L. 100-4; 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 wastewater collection, treatment and discharge facilities; and

WHEREAS, the Assembly of the Municipality in its Ordinances No. AO 99-128 on October 12, 1999, and No. AO 99-150 on December 7, 1999, 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 ASPLUND WASTEWATER FACILITY SOLIDS HANDLING, AWWU OPERATIONS FACILITY PHASE III AND SEPTAGE RECEIVING STATION UPGRADE projects; authorized the borrowing of an amount not to exceed \$10,900,000 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 ASPLUND WASTEWATER FACILITY SOLIDS HANDLING, AWWU OPERATIONS FACILITY PHASE III AND SEPTAGE RECEIVING STATION UPGRADE projects, said applications for these loans have been approved, and AWWU has negotiated the terms of the loans from the Fund in the amount of \$10,900,000 to finance a portion of the costs of the Projects; and

WHEREAS, the terms and conditions of said loans are contained in the Alaska Clean Water Fund Loan Agreements between the Municipality and DEC, dated January 21, 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 Ten Million Nine Hundred Thousand Dollars (\$10,900,000) are hereby accepted and appropriated.

AM 268-2000

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 a total aggregate amount of \$10,900,000 (subject to individual draws)
Interest Rate:	4.3% per annum
Interest Accrual:	Accrual of interest will begin one year after the date of the first disbursement to the Municipality.
Term:	Twenty years from the date of initiation of operation of the respective Project
Date of First Payment:	One year following substantial completion and initiation of operation of the respective Project
Payment Interval:	Annual
Amortization Schedule:	Level, fully amortizing
Security:	A subordinate lien pledge of the Gross Revenues less the Operating Expenses of the System as those terms are defined in Ordinance No. AO No. 99-119(S), 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. **Approval and Executing of Loan Agreement:** The loan offers are approved and the Mayor, with the Chief Fiscal Officer of the Municipality and the General Manager of AWWU, are hereby authorized, empowered and directed to execute and deliver the Loan Agreements for and on behalf of the Municipality, including necessary counterparts, and, from and after the executing and delivery of the Loan Agreements, the Mayor, 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 Agreements as executed.

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

PASSED AND APPROVED by the Anchorage Assembly, this 21st day of March, 2000.


Chairman

ATTEST:

Area Capital Improvement Fund:
Fund 551 Account 1071 Project ID 0000000057 Asplund Facility Solids Handling
\$8,400,000 (Designated Loan)
Fund 551 Account 1071 Project ID 0000000286 AWWU Operations Facility Ph III
\$2,000,000 (Designated Loan)
Fund 551 Account 1071 Project ID 0000000058 Septage Receiving Station Upgrade
\$500,000 (Designated Loan)


Municipal Clerk

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
AGENDA DOCUMENT CONTROL SHEET

AR 2000-55

1	SUBJECT OF AGENDA DOCUMENT A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE TOTAL AGGREGATE AMOUNT OF \$10,900,000 FOR FINANCING A PORTION OF THE COSTS OF THE ASPLUND WASTEWATER FACILITY SOLIDS HANDLING PROJECT, THE AWWU OPERATIONS FACILITY PHASE III PROJECT AND SEPTAGE RECEIVING STATION UPGRADE PROJECT	DATE PREPARED February 17, 2000
		Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM
2	DEPARTMENT NAME AWWU	DIRECTOR'S NAME MARK PREMO, P.E.
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Michelle Jones	HIS/HER PHONE NUMBER 564-2755
4	COORDINATED WITH AND REVIEWED BY	INITIALS
6	Mayor Municipal Clerk Municipal Attorney Employee Relations	
5	Municipal Manager Cultural & Recreation Services Fire Health & Human Services Merrill Field Airport Municipal Light & Power	<i>bd</i> <i>MP</i> <i>2/29/00</i>
3	Office of Management & Budget Police Port of Anchorage Public Works Solid Waste Services Telephone Utility Transit	<i>JOE</i> <i>2-18-00</i>
2	Water & Wastewater Utility	<i>MP</i> <i>2/25/00</i>
1	Finance Division Manager Executive Manager Economic Development & Planning	<i>DB</i> <i>2/22/00</i>
4	Finance, Chief Fiscal Officer Management Information Services Property & Facility Management Purchasing	<i>SO</i> <i>2/19/00</i>
	Other	
		RECEIVED Office of Municipal Clerk MAR 02 2000
5	SPECIAL INSTRUCTIONS/COMMENTS <div style="text-align: center; font-size: 1.2em;"> <i>J.B. Introduction</i> </div>	
6	ASSEMBLY MEETING DATE REQUESTED March 7, 2000	7 PUBLIC HEARING DATE REQUESTED March 21, 2000