

CLERK'S OFFICE

APPROVED

Date: 7-15-13

Submitted by: Chairman of the Assembly at the
Request of the Mayor
Prepared by: Anchorage Water & Wastewater Utility
For reading: June 24, 2003

ANCHORAGE, ALASKA
AR No. 2003- 187

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
2 ACCEPTING AND APPROPRIATING A STATE OF ALASKA CLEAN WATER
3 FUND LOAN OFFER IN THE AMOUNT OF THREE MILLION DOLLARS
4 (\$3,000,000) FOR FINANCING A PORTION OF THE COSTS OF THE C-5-7
5 TRUNK SEWER UPGRADE PROJECT.

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,
10 established the Alaska Clean Water Fund (the 'Fund'), a fund which makes use of
11 U.S. Government grants as authorized by the Clean Water Act, as amended by
12 P.L. 100-4; and

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

18
19 WHEREAS, the Assembly of the Municipality, in its Ordinance No. AO 97-10,
20 determined it was necessary to proceed to plan, design, develop, construct, equip,
21 acquire property for, or otherwise obtain items of capital improvements in
22 connection with the **C-5-7 Trunk Sewer Upgrade** project; authorized the borrowing
23 of an amount not to exceed **\$3,000,000**, from the Fund for the purpose of financing
24 a portion of the cost of said Project; and authorized and directed the General
25 Manager of the Anchorage Water & Wastewater Utility ("AWWU") to complete and
26 submit to the State Department of Environmental Conservation ("DEC") an
27 application to borrow money from the Fund and to negotiate with the DEC the
28 terms of such loan; and

29
30 WHEREAS, AWWU has submitted the application for a loan in connection
31 with the **C-5-7 Trunk Sewer Upgrade** project, said application for this loan has
32 been approved, and AWWU has negotiated the terms of this loan from the Fund in
33 the amount of **\$3,000,000** to finance a portion of the cost of the Project; and

34
35 WHEREAS, the terms and conditions of said loan are contained in the Alaska
36 Clean Water Fund Loan Agreement between the Municipality and DEC, dated **May**
37 **19, 2003**; and

38
39 WHEREAS, it is hereby found to be in the best interest of the Municipality
40 that terms of said loan offer be approved and that the Loan Agreement be
41 executed on behalf of the Municipality.

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

3
4 Section 1. **Loan Proceeds**: The subject loan proceeds in the amount of
5 **Three Million Dollars (\$3,000,000)** are hereby accepted and appropriated.


6
7 Section 2. **Loan Terms**: The following primary terms of the loans are
8 among those incorporated in the Loan Agreement as hereby specifically approved:

9
10 Principal Amount: Not to exceed **\$3,000,000** (subject to individual draws)
11 Interest Rate: **2.5%** per annum
12 Interest Accrual: Accrual of interest will begin one year after the date of the
13 first disbursement to the Municipality.
14 Term: **Twenty years** from the date of initiation of operation of the
15 respective Project
16 Date of First Payment: **One year** following substantial completion and initiation of
17 operation of the respective Project
18 Payment Interval: Annual
19 Amortization Schedule: Level, fully amortizing
20 Security: A subordinate lien pledge of the Gross Revenues less the
21 Operating Expenses of the System as those terms are
22 defined in Ordinance No. **AO No. 99-119(S)**, provided that if
23 such monies are not sufficient, repayment of the loan shall
24 be from any legally available funds accruing to or in the
25 possession of the Municipality; and provided further that
26 repayment of the loan is not a direct obligation of the
27 Municipality and neither the faith and credit nor the taxing
28 power of the Municipality are pledged therefore.

29
30 Section 3. **Approval and Executing of Loan Agreement**: The loan offer
31 is approved and the Mayor, with the Chief Fiscal Officer of the Municipality and the
32 General Manager of AWWU, are hereby authorized, empowered and directed to
33 execute and deliver the Loan Agreement for and on behalf of the Municipality,
34 including necessary counterparts, and, from and after the executing and delivery of
35 the Loan Agreement, the Mayor, the Chief Fiscal Officer of the Municipality and the
36 General Manager of AWWU, are hereby authorized, empowered and directed to do
37 all such acts and things and to execute all such documents as may be necessary to
38 carry out and comply with the provisions of the Loan Agreement as executed.


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

2
3 PASSED AND APPROVED by the Anchorage Assembly this 15th day of
4 July, 2003.
5

6
7 
8 _____
9 Chairman

10
11 ATTEST:

Area Capital Improvement Fund:
Fund 551 Account 1071 Project ID 0000001115
\$3,000,000 (Designated Loan)

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13
14
15 
16 _____
17 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 570-2003

Meeting Date: June 24, 2003

From: Mayor

Subject: **ACCEPTANCE AND APPROPRIATION OF AN ALASKA
CLEAN WATER FUND LOAN OFFER FOR THE
PURPOSE OF FINANCING A PORTION OF THE COSTS OF THE
C-5-7 TRUNK SEWER UPGRADE PROJECT
(\$3,000,000)**

The Municipality of Anchorage has received a formal Alaska Clean Water Fund loan offer from the State of Alaska in the amount of **\$3,000,000** for the purpose of financing a portion of the cost of the **C-5-7 Trunk Sewer Upgrade** project.

This loan offer is made under the State's low-interest revolving loan program, which is attractive to the Municipality due to the low interest rate of **2.5%** and the favorable payback terms of **twenty years** from one year after project's date of initiation of operation.

**THE ADMINISTRATION RECOMMENDS APPROVAL OF ASSEMBLY
RESOLUTION AR 2003-187 ACCEPTING AND APPROPRIATING THIS
ALASKA CLEAN WATER LOAN OFFER IN THE AMOUNT OF \$3,000,000 FOR
FINANCING A PORTION OF THE COSTS OF THE C-5-7 TRUNK SEWER
UPGRADE PROJECT.**

Prepared by:	Mark Premo, P.E., General Manager, AWWU
Fund Certification:	Kate Giard, Chief Fiscal Officer <i>551 - W8000 - 1071 - 0000001115 - 2003 - \$3,000,000 (Designated Loan)</i>
Concur:	Harry J. Kieling, Jr., Municipal Manager
Respectfully submitted:	George P. Wuerch, Mayor

Content Information

APR 2003 187

Content ID : 000875

A RESOLUTION OF THE MOA, ALASKA, ACCEPTING AND
APPROPRIATING A STATE OF ALASKA CLEAN WATER FUND
Title: LOAN OFFER IN THE AMOUNT OF THREE MILLION DOLLARS
(\$3,000,000) FOR FINANCING A PORTION OF THE COSTS OF
THE C-5-7 TRUNK SEWER UPGRADE PROJECT

Author: gibsonam

Initiating Dept: AWWU

Requested

Assembly

Meeting Date 6/10/03 12:00 AM

MM/DD/YY:

Workflow History

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
FundsAppropWorkflow	5/29/03 6:57 PM	Checkin	gibsonam	Public	000875
AWWU_SubWorkflow	5/29/03 6:59 PM	Approve	premomc	Public	000875
OMB_SubWorkflow	6/16/03 10:46 AM	Approve	leblancdc	Public	000875
Finance_SubWorkflow	6/18/03 2:32 PM	Approve	priceta	Public	000875
MuniManager_SubWorkflow	6/19/03 1:28 PM	Approve	kielinghj	Public	000875
MuniMgrCoord_SubWorkflow	6/19/03 1:36 PM	Approve	katkusja	Public	000875

ADDENDUM-INTRODUCTION

2 2003 JUN 20 PM 0:00