

CLERK'S OFFICE

APPROVED

Date: 2-13-07

ANCHORAGE, ALASKA

AR No. 2007- 30

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 FIVE MILLION DOLLARS (\$5,000,000)**
4 **FOR FINANCING A PORTION OF THE COSTS OF THE SCADA – SEWER**
5 **PROJECT**

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9 WHEREAS, the State of Alaska (the "State") has, pursuant to Alaska
10 Statutes 46.03.032 and 18 AAC 76.005 et seq. of the Alaska Administrative Code,
11 established the Alaska Clean Water Fund (the 'Fund'), a fund which makes use of
12 U.S. Government grants as authorized by the Clean Water Act, as amended by P.L.
13 100-4; and

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

19
20 WHEREAS, the Assembly of the Municipality, in its Ordinances **AO 2006-142**,
21 determined it was necessary to proceed to plan, design, develop, construct, equip,
22 acquire property for, or otherwise obtain items of capital improvements in
23 connection with the **SCADA Sewer** project; authorized the borrowing of an amount
24 not to exceed **\$5,000,000** from the Fund for the purpose of financing a portion of
25 the costs of said Project; and authorized and directed the General Manager of the
26 Anchorage Water & Wastewater Utility ("AWWU") to complete and submit to the
27 State Department of Environmental Conservation ("DEC") an application to borrow
28 money from the Fund and to negotiate with the DEC the terms of such loan; and

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

35
36 WHEREAS, the terms and conditions of said loan increase are contained in
37 the Alaska Clean Water Fund Loan Agreement between the Municipality and DEC,
38 dated **December 19, 2006**; and

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

43
44 NOW THEREFORE, BE IT RESOLVED THE MUNICIPALITY OF
45 ANCHORAGE, as follows:
46

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

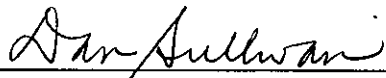
4 Section 2. **Loan Terms**: The following primary terms of the loan are
5 among those incorporated in the Loan Agreement as hereby specifically approved:
6

| | | |
|----|------------------------|--|
| 7 | Principal Amount: | Not to exceed \$5,000,000 (subject to individual draws) |
| 8 | Interest Rate: | 1.5% per annum |
| 9 | Interest Accrual: | Accrual of interest will begin one year after the date of the |
| 10 | | first disbursements to the Municipality. |
| 11 | Term: | Twenty years from the dates of initiation of operation of the |
| 12 | | respective Projects |
| 13 | Date of First Payment: | One year following substantial completion and initiation of |
| 14 | | operation of the respective Projects |
| 15 | Payment Interval: | Annual |
| 16 | Amortization Schedule: | Level, fully amortizing |
| 17 | Security: | A subordinate lien pledge of the Gross Revenues less the |
| 18 | | Operating Expenses of the System as those terms are |
| 19 | | defined in Ordinance No. AO No. 99-119(S) , provided that if |
| 20 | | such monies are not sufficient, repayment of the loan shall |
| 21 | | be from any legally available funds accruing to or in the |
| 22 | | possession of the Municipality; and provided further that |
| 23 | | repayment of the loan is not a direct obligation of the |
| 24 | | Municipality and neither the faith and credit nor the taxing |
| 25 | | power of the Municipality are pledged therefore. |
| 26 | | |

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

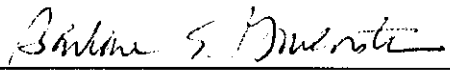
1 Section 4. **Effective Date:** This Resolution shall take effect immediately.
2

3 PASSED AND APPROVED by the Anchorage Assembly this 13th day of
4 February, 2007.
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7 
8 _____
9 Chairman

10
11 ATTEST:

Area Capital Improvement Fund:
Fund 551 Account 1071 Project ID 0000000099
\$5,000,000 (Designated Loan)

12
13
14 
15 _____
16 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 94 -2007

Meeting Date: January 30, 2007

1 **From:** **Mayor**

2
3 **Subject:** **ACCEPTANCE AND APPROPRIATION OF ALASKA**
4 **CLEAN WATER FUND LOAN OFFER INCREASE FOR THE**
5 **PURPOSE OF FINANCING A PORTION OF THE COSTS OF**
6 **THE SCADA SEWER PROJECT (\$5,000,000)**
7
8

9 The Municipality of Anchorage has received a formal Alaska Clean Water Fund
10 loan offer from the State of Alaska in the amount **\$5,000,000** for the purpose of
11 financing a portion of the cost of the **SCADA Sewer** project.
12

13 This loan offer increase is made under the State's revolving loan program,
14 which is attractive to the Municipality due to the low interest rate of **1.5%** and
15 the favorable payback terms of **twenty years** from one year after project's date
16 of initiation of operation.
17

18 AWWU supports this resolution. The AWWU Board endorsed this resolution at
19 its regular meeting of January 10, 2007.
20

21 **THE ADMINISTRATION RECOMMENDS APPROVAL OF THIS ASSEMBLY**
22 **RESOLUTION ACCEPTING AND APPROPRIATING THIS ALASKA CLEAN**
23 **WATER LOAN OFFER INCREASE IN THE AMOUNT OF FIVE MILLION**
24 **DOLLARS (\$5,000,000) FOR FINANCING A PORTION OF THE COSTS OF**
25 **THE SCADA SEWER PROJECT.**
26

27
28 Prepared by: Mark Premo, P.E., General Manager, AWWU

29 Fund Certification: Jeffrey E. Sinz, Chief Fiscal Officer

30 551 -W8000 -1071 -0000000099 -2007 -\$5,000,000 (Designated Loan)

31 Concur: Denis C. LeBlanc., Municipal Manager

32 Respectfully submitted: Mark Begich, Mayor

ELECTRONIC FUND CERTIFICATION

Scada Sewer Project

Alaska Clean Water Loan Fund

| FUND | Dept ID | Acct # |
|---|----------------|--------|
| 551 | W8000 | 1071 |
| Project ID | 0000000099 | |
| Loan Amount | \$5,000,000.00 | |
| Date 12/26/2006 | | |
| By (electronic) Sharon Weddleton, CPA, AWWU Finance Director | | |

Content Information**Content ID :** 004724**Type:** AR_FundsApprop - Funds Approp ResolutionA RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING AND APPROPRIATING A STATE OF ALASKA CLEAN**Title:** WATER FUND LOAN OFFER IN THE AMOUNT OF FIVE MILLION
DOLLARS (\$5,000,000) FOR FINANCING A PORTION OF THE
COSTS OF THE SCADA – SEWER PROJECT**Author:** gibsonam**Initiating Dept:** AWWU**Date Prepared:** 1/12/07 11:22 AM**Director Name:** Mark Premo**Assembly****Meeting Date** 1/30/07**MM/DD/YY:****Public Hearing****Date** 2/13/07**MM/DD/YY:**

M.O.A.
2007 JAN 19 PM 2:49
CLEAN'S OFFICE

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 | 1/12/07 11:24 AM | Checkin | gibsonam | Public | 004724 |
| AWWU_SubWorkflow | 1/12/07 1:33 PM | Approve | premomc | Public | 004724 |
| OMB_SubWorkflow | 1/17/07 12:46 PM | Approve | mitsonjl | Public | 004724 |
| Finance_SubWorkflow | 1/19/07 12:29 PM | Approve | sinzje | Public | 004724 |
| MuniManager_SubWorkflow | 1/19/07 12:29 PM | Approve | leblancdc | Public | 004724 |
| MuniMgrCoord_SubWorkflow | 1/19/07 12:35 PM | Approve | abbottmk | Public | 004724 |