

CLERK'S OFFICE  
APPROVED  
Date: 5/20/08

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Anchorage Water and Wastewater  
Utility  
For reading: April 29, 2008

**ANCHORAGE, ALASKA**  
**AR No. 2008- 87**

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING SIX STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF FOUR MILLION TWO HUNDRED FORTY-SIX THOUSAND EIGHT HUNDRED SIX DOLLARS (\$4,246,806) FOR FINANCING A PORTION OF THE COSTS OF THE C-2 (A, B) SEWER IMPROVEMENTS, SEPTAGE IMPROVEMENTS – PHASE II, GIRDWOOD WWTF IMPROVEMENTS, ARCTIC 32ND-36TH SEWER UPGRADE, SAN ERNESTO HOYT-SAN ANTONIO SEWER UPGRADE, AND DOUGLAS STREET SEWER 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 Ordinance No. AO 2007-127 and AO 2008-11, 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 2007 and 2008 Capital Improvement Budget projects; authorized the borrowing 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 and 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 DEC the terms of such loans; and

**WHEREAS**, AWWU has submitted applications for loans in connection with said projects, said applications for these loans have been approved, and AWWU has negotiated the terms of these loans from the Fund in the aggregate amount of \$4,246,806 to finance a portion of the costs of the C-2 (A, B) Sewer Improvements (\$1,150,000), Septage Improvements – Phase II (\$1,000,000), Girdwood WWTF Improvements (\$841,000), Arctic 32nd-36th Sewer Upgrade (\$734,806), San Ernesto Hoyt-San Antonio Sewer Upgrade (\$404,000), and Douglas Street Sewer Upgrade (\$117,000) projects; and

1 **WHEREAS**, the terms and conditions of said loans are contained in the Alaska Clean  
2 Water Fund Loan Agreements between the Municipality and DEC; and

3  
4 **WHEREAS**, it is hereby found to be in the best interest of the Municipality that terms  
5 of said loan offers be approved and that the Loan Agreements be executed on  
6 behalf of the Municipality; and

7  
8 **WHEREAS**, at its April 2, 2008 meeting, the AWWU Authority Board supported this  
9 resolution to accept and appropriate funding from said loan agreements for these  
10 projects; now, therefore,

11  
12 **THE ANCHORAGE ASSEMBLY RESOLVES:**

13  
14 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of Four Million  
15 Two Hundred Forty-Six Thousand, Eight Hundred Six Dollars (\$4,246,806) are  
16 hereby accepted and appropriated.

17  
18 **Section 2. Loan Terms:** The following primary terms of the loans are among those  
19 incorporated in the Loan Agreements as hereby specifically approved:

20  
21 Principal Amount: Not to exceed \$4,246,806 (subject to individual draws)

22  
23 Interest Rate: 1.5% per annum

24  
25 Interest Accrual: Accrual of interest will begin one year after the date of  
26 the first disbursement to the Municipality

27  
28 Term: Twenty years from the date of initiation of operation of  
29 the respective Projects

30  
31 Date of First Payment: One year following substantial completion and initiation  
32 of operation of the respective Projects

33  
34 Payment Interval: Annual


35  
36 Amortization Schedule: Level, fully amortizing

37  
38 Security: A subordinate lien pledge of the Gross Revenues less  
39 the Operating Expenses of the System as those terms  
40 are defined in Ordinance No. AO No. 99-119(S), provided  
41 that if such monies are not sufficient, repayment of the  
42 loan shall be from any legally available funds accruing to  
43 or in the possession of the Municipality; and provided  
44 further that repayment of the loan is not a direct  
45 obligation of the Municipality and neither the faith and  
46 credit nor the taxing power of the Municipality are  
47 pledged therefore.

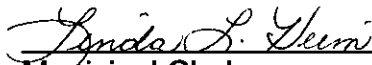
**Section 3. Approval and Executing of Loan Agreements:** The loan offers are approved and the Mayor, with the Chief Fiscal Officer of the Municipality and the General Manager of AWWU, are hereby authorized, empowered and directed to execute and deliver the Loan Agreements for and on behalf of the Municipality, 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 upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 20<sup>th</sup> day of May, 2008.

  
Chair

ATTEST:

  
Municipal Clerk  
*Deputy*

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 286 -2008

Meeting Date: April 29, 2008

1 **From:** Mayor

2  
3 **Subject:** **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,**  
4 **ACCEPTING AND APPROPRIATING SIX STATE OF ALASKA CLEAN**  
5 **WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF**  
6 **FOUR MILLION TWO HUNDRED FORTY-SIX THOUSAND EIGHT**  
7 **HUNDRED SIX DOLLARS (\$4,246,806) FOR FINANCING A PORTION OF**  
8 **THE COSTS OF THE C-2 (A, B) SEWER IMPROVEMENTS, SEPTAGE**  
9 **IMPROVEMENTS – PHASE II, GIRDWOOD WWTF IMPROVEMENTS,**  
10 **ARCTIC 32ND-36TH SEWER UPGRADE, SAN ERNESTO HOYT-SAN**  
11 **ANTONIO SEWER UPGRADE, AND DOUGLAS STREET SEWER**  
12 **UPGRADE PROJECTS**  
13

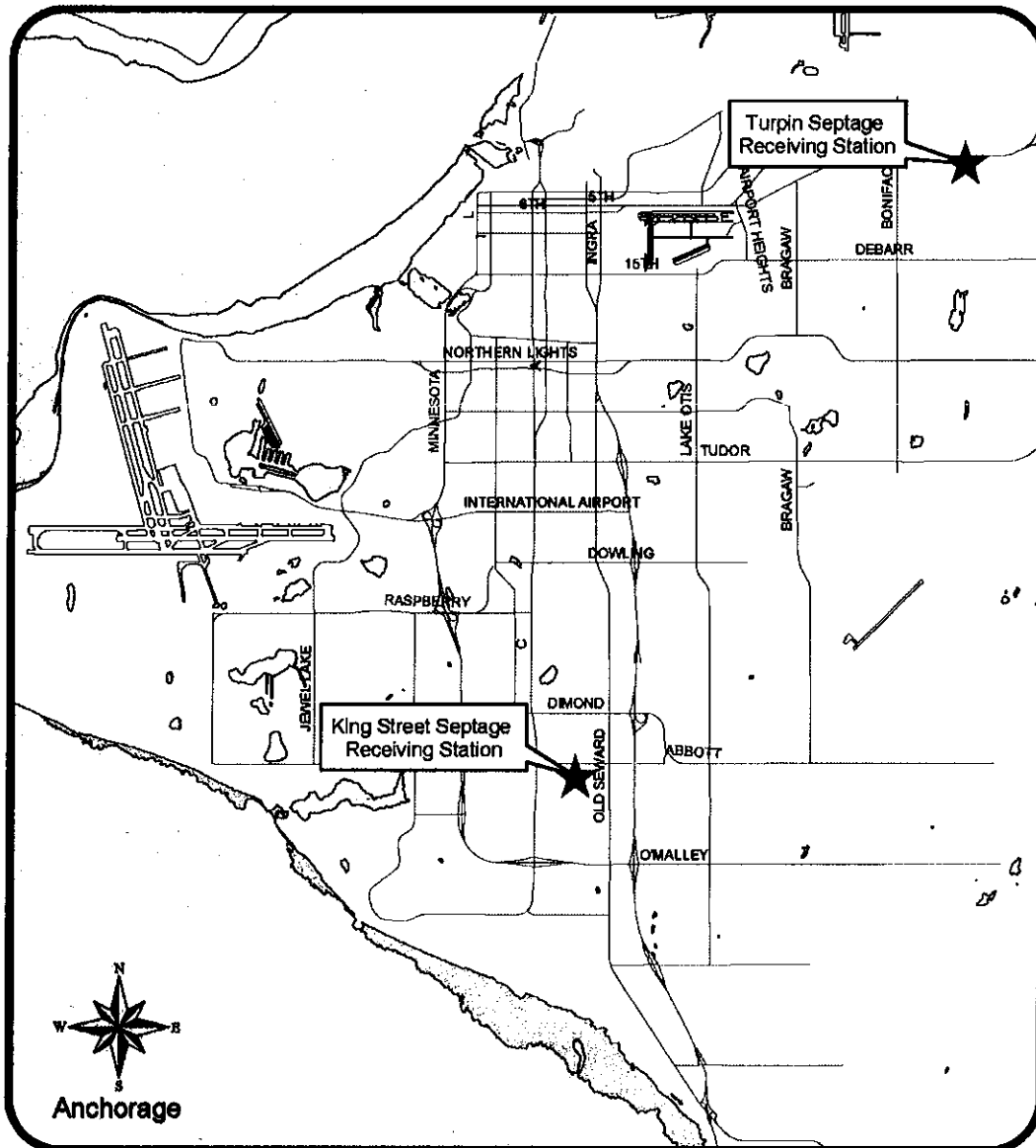
14 The Municipality of Anchorage has received formal Alaska Clean Water Fund loan  
15 offers from the State of Alaska for the purpose of financing a portion of the cost of the  
16 C-2 (A, B) Sewer Improvements, Septage Improvements – Phase II, Girdwood WWTF  
17 Improvements, Arctic 32nd-36th Sewer Upgrade, San Ernesto Hoyt-San Antonio  
18 Sewer Upgrade, and Douglas Street Sewer Upgrade projects.  
19

20 These loan offers are made under the State's low-interest revolving loan program,  
21 which is attractive to the Municipality due to the low interest rate of 1.5% and the  
22 favorable payback terms of twenty years from one year after project's date of initiation  
23 of operation.  
24

25 At its April 2, 2008 meeting, the AWWU Authority Board supported this resolution to  
26 accept and appropriate funding from said loan agreements for these projects.  
27

28 **THE ADMINISTRATION CONCURS IN THE AWWU BOARD RECOMMENDATION**  
29 **AND REQUESTS APPROVAL OF THIS RESOLUTION ACCEPTING AND**  
30 **APPROPRIATING SIX STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS**  
31 **IN THE AGGREGATE AMOUNT OF FOUR MILLION TWO HUNDRED FORTY-SIX**  
32 **THOUSAND EIGHT HUNDRED SIX DOLLARS (\$4,246,806) FOR FINANCING A**  
33 **PORTION OF THE COSTS OF THE C-2 (A, B) SEWER IMPROVEMENTS**  
34 **(\$1,150,000), SEPTAGE IMPROVEMENTS – PHASE II (\$1,000,000), GIRDWOOD**  
35 **WWTF IMPROVEMENTS (\$841,000), ARCTIC 32ND-36TH SEWER UPGRADE**  
36 **(\$734,806), SAN ERNESTO HOYT-SAN ANTONIO SEWER UPGRADE (\$404,000),**  
37 **AND DOUGLAS STREET SEWER UPGRADE (\$117,000) PROJECTS**  
38

39 Prepared by: Anchorage Water & Wastewater Utility  
40 Recommended by: Mark Premo, P.E., General Manager, AWWU  
41 Fund Concurrence: Sharon Weddleton, CFO  
42 Concur: Michael K. Abbott, Municipal Manager  
43 Respectfully submitted: Mark Begich, Mayor



Maps not-to-scale

## LEGEND

★ Project Location

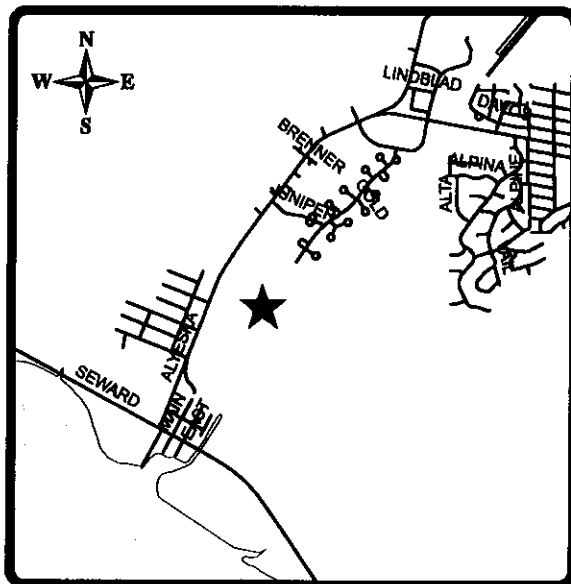
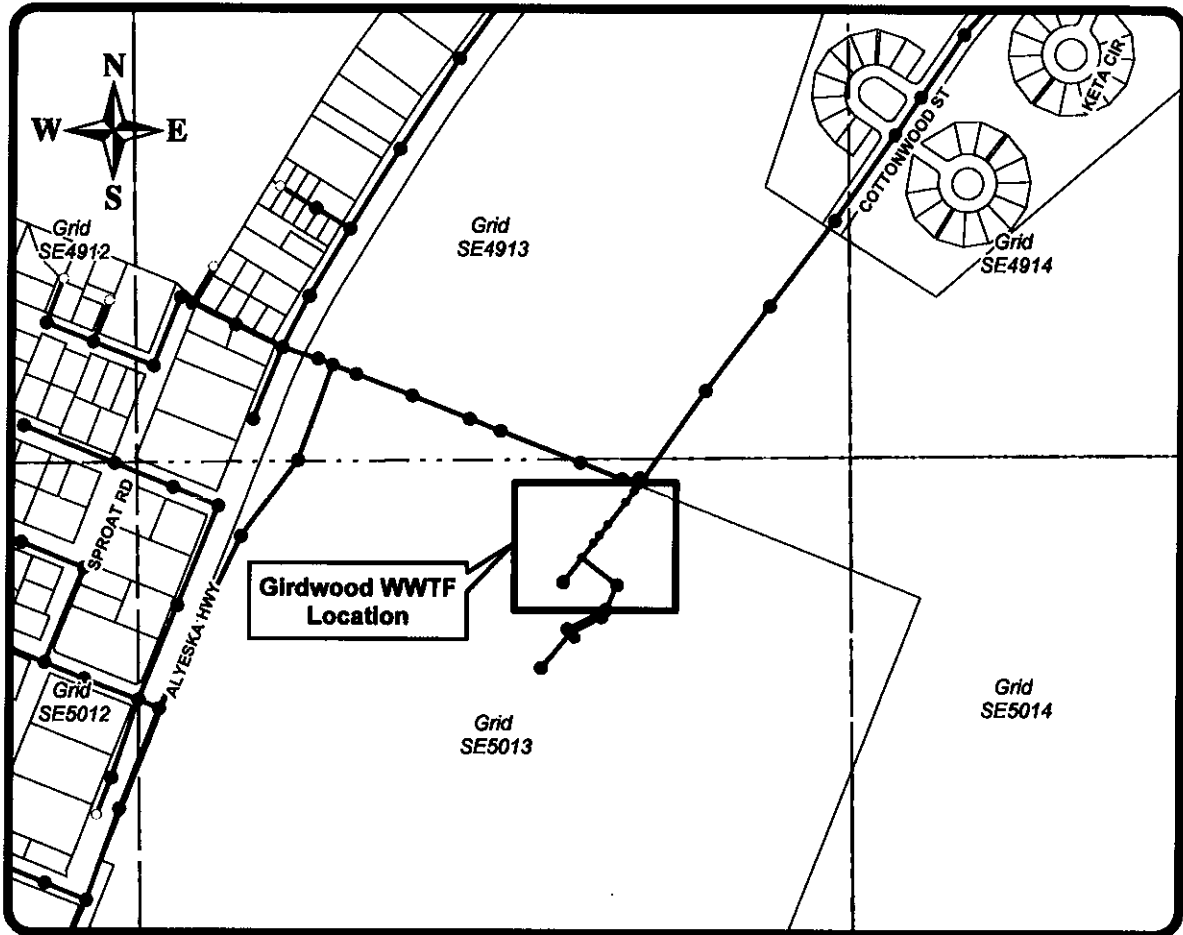
## Septage Improvements Ph2

PeopleSoft Project ID 0000003545

Anchorage Water & Wastewater Utility



Map Created  
by AJU  
12/21/2006



Maps Not-to-Scale

### LEGEND

- Existing Sewer Mains
- Existing Manholes
- ★ Project Map Area

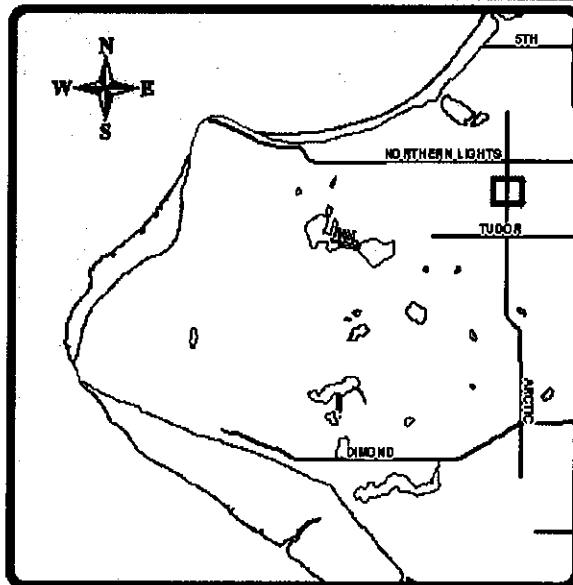
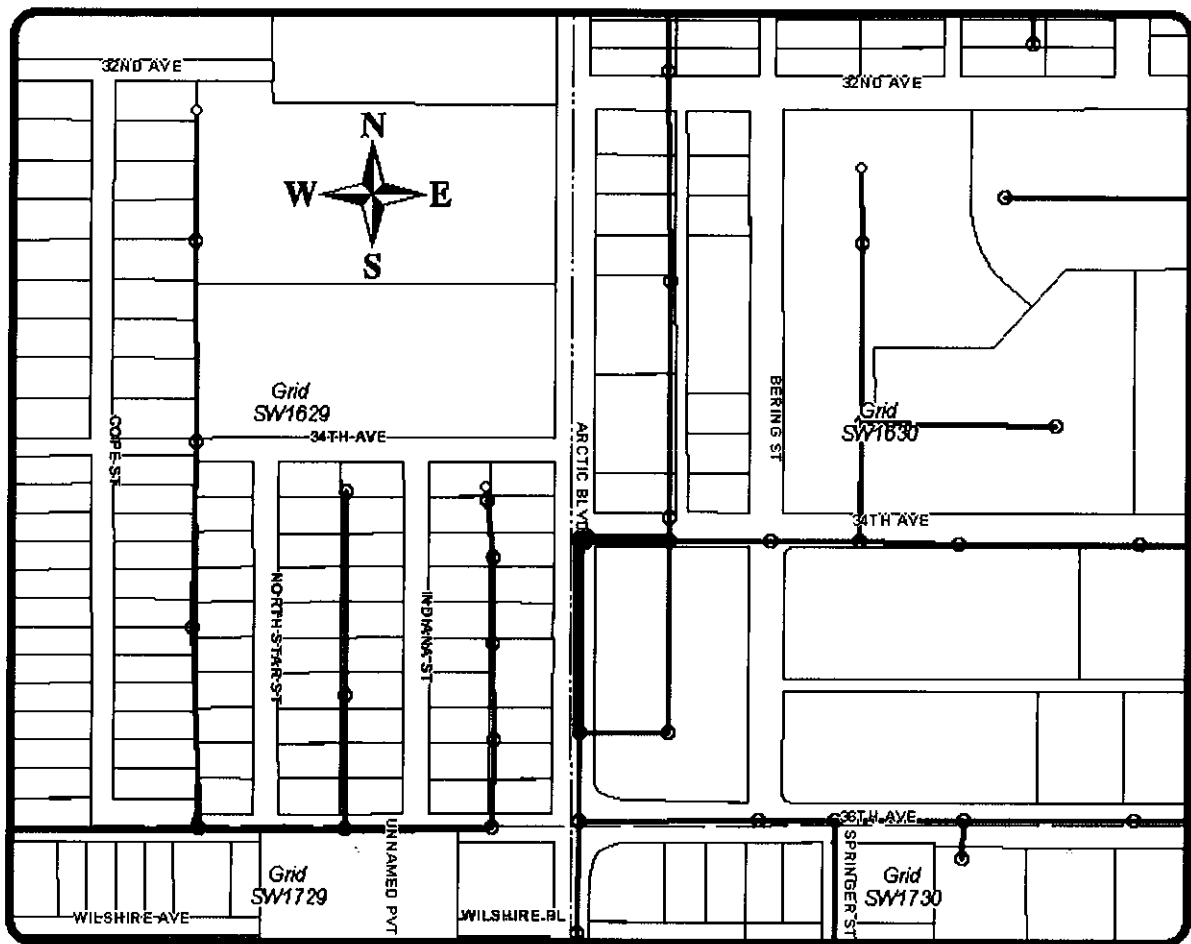


Map Created  
by AJU  
4-5-06

## Girdwood\_WWTF\_Upgr







People Soft Project ID 0000003450

Anchorage Water & Wastewater Utility



Maps Not-to-Scale

## LEGEND

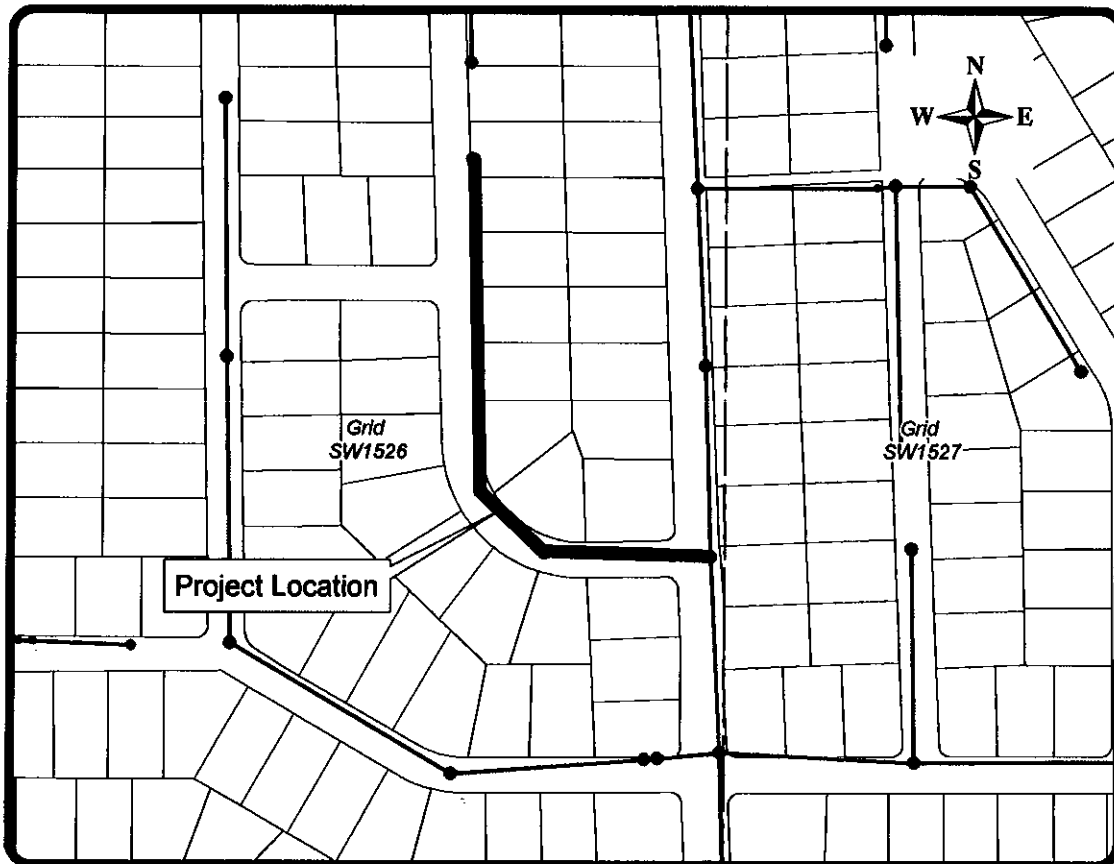
-  Proposed Sewer Main
-  Existing Sewer Mains
-  Proposed Manholes
-  Existing Cleanouts
-  Existing Manholes
-  Project Map Area



Map Created  
02/02/04 sdn

## PME\_Arctic-32nd-36\_SWR\_Upgr GRID SW1630

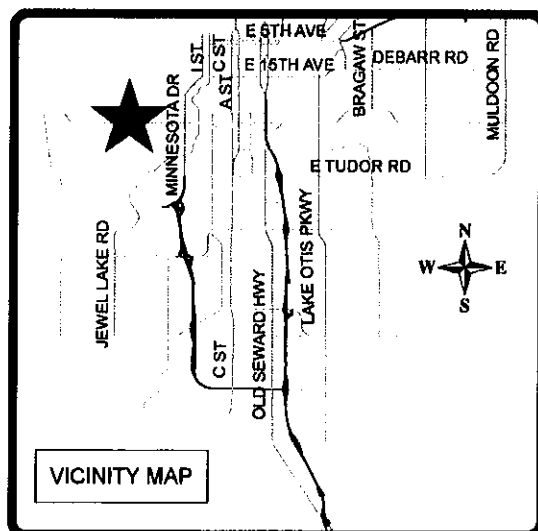
People Soft Project ID 0000002192  
Anchorage Water & Wastewater Utility






PROJECT MAP GRID SW1526

Map N.T.S.

Map Created  
6/06/06 BKL  
PM ID 3068



## Legend

-  Proposed Sewer Upgrades
-  Existing Sewer Lines
-  Approximate Location

## Douglas Street Sewer Upgrade

PeopleSoft Project ID # 0000003575

Anchorage Water & Wastewater Utility





ANCHORAGE WATER AND WASTEWATER UTILITY  
BOARD MEMORANDUM  
No. 2008-23

Meeting Date: April 7, 2008  
AUTHORITY BOARD  
APPROVED

From: Mark Premo, P.E., General Manager

Date: April 7, 2008

Subject: Acceptance and Appropriation of Six (6) Alaska Clean Water Fund  
Loan Offers in the Aggregate Amount of \$4,246,806

AWWU Board Memorandum 2006-19 was introduced and approved at the Board meeting of October 4, 2006. It outlined the process for applying for project loan funding under the Alaska Clean Water Fund (ACWF) and the Alaska Drinking Water Fund (ADWF) loan programs. These programs provide loans at the rate of 1.5% for up to twenty years in duration to cities, boroughs and qualified private water utilities.

AWWU Board Memoranda 2007-56(s) and 2008-10 also approved AWWU to introduce Assembly Ordinances AO2007-127 and AO2008-11 authorizing for the borrowing of said loan funds for 2007 and 2008 CIB projects. Public hearings were held and subsequently closed October 09, 2007 and February 12, 2008. The Assembly authorized AWWU to begin to secure the loan funds.

AWWU has now received Six (6) ACWF loan agreements: C-2 (A, B) Sewer Improvements (\$1,150,000), Septage Improvements - Phase II (\$1,000,000), Girdwood WWTF Improvements (\$841,000), Arctic 32nd-36th Sewer Upgrade (\$734,806), San Ernesto Hoyt-San Antonio Sewer Upgrade (\$404,000), and Douglas Street Sewer Upgrade (\$117,000). For this reason, we are now bringing before the Board the attached draft Assembly Resolution.

Approval by the AWWU Board of the attached draft Resolution is requested at the regular meeting of April 2, 2008. With the Board's support, AWWU will present the attached Assembly Resolution and Memorandum to the Assembly seeking approval to appropriate funding from said loan agreements for these projects.

Prepared by: Wendy Drew, Project Support/Grants Supervisor, Engineering Division  
Fund Certification: Glenda Gibson, CPA, CFO, AWWU

Designated Loans -

1071-551-0000003352	\$1,150,000	1071-551-0000002192	\$734,806
1071-551-0000003545	\$1,000,000	1071-551-0000002180	\$404,000
1071-551-0000003450	\$841,000	1071-551-0000003575	\$117,000

Respectfully submitted: Mark Premo, P.E., General Manager

Approved:

Calvin E. West, P.E.  
Chair, AWWU Board of Directors

7 APR 2008  
Date

**Content ID:** 006229**Type:** AR\_FundsApprop - Funds Approp Resolution

ACCEPTING AND APPROPRIATING SIX STATE OF ALASKA CLEAN WATER

FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF FOUR MILLION

**Title:** TWO HUNDRED FORTY-SIX THOUSAND EIGHT HUNDRED SIX DOLLARS  
(\$4,246,806)**Author:** maglaquijp**Initiating  
Dept:** AWWU**Date** 4/8/08 3:11 PM**Prepared:****Director  
Name:** Mark Premo**Assembly  
Meeting** 4/29/08**Date:****Public****Hearing** 5/20/08**Date:**M.O.A  
2008 APR 18 PM 12:47  
CLERK'S OFFICE

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	4/18/08 9:54 AM	Exit	Heather Handyside	Public	006229
MuniMgrCoord_SubWorkflow	4/18/08 9:54 AM	Approve	Heather Handyside	Public	006229
MuniManager_SubWorkflow	4/18/08 9:40 AM	Approve	Michael Abbott	Public	006229
MuniManager_SubWorkflow	4/11/08 9:34 AM	Checkin	Joy Maglaqui	Public	006229
Finance_SubWorkflow	4/10/08 10:12 AM	Approve	Sharon Weddleton	Public	006229
OMB_SubWorkflow	4/9/08 4:08 PM	Approve	Wanda Phillips	Public	006229
AWWU_SubWorkflow	4/8/08 3:21 PM	Approve	Mark Premo	Public	006229
FundsAppropWorkflow	4/8/08 3:14 PM	Checkin	Alyssa Gibson	Public	006229