

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Anchorage Water and Wastewater
Utility
For reading: May 20, 2008

CLERK'S OFFICE

APPROVED

Date: 6-10-08 ANCHORAGE, ALASKA
AR No. 2008-107

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING AND APPROPRIATING TWO STATE OF ALASKA CLEAN WATER
FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF FOUR HUNDRED
THIRTY THREE THOUSAND DOLLARS (\$433,000) FOR FINANCING A PORTION
OF THE COSTS OF THE COPE-DORBRANT SEWER UPGRADE AND ASPLUND
GENERATOR 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 \$433,000 to finance a portion of the costs of the Cope-Dorbrant Sewer Upgrade (\$233,000) and Asplund Generator Upgrade (\$200,000) 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; 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; and

1 WHEREAS, at its May 7, 2008 meeting, the AWWU Authority Board supported this
2 resolution to accept and appropriate funding from said loan agreements for these projects; now,
3 therefore,

4
5 THE ANCHORAGE ASSEMBLY RESOLVES:

6
7 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of Four Hundred Thirty
8 Three Thousand Dollars (\$433,000) are hereby accepted and appropriated.

9
10 **Section 2. Loan Terms:** The following primary terms of the loans are among those
11 incorporated in the Loan Agreements as hereby specifically approved:

12
13 Principal Amount: Not to exceed \$433,000 (subject to individual draws)

14
15 Interest Rate: 1.5% per annum

16
17 Interest Accrual: Accrual of interest will begin one year after the date of the first disbursement
18 to the Municipality

19
20 Term: Twenty years from the date of initiation of operation of the respective Projects

21
22 Date of First Payment: One year following substantial completion and initiation of operation
23 of the respective Projects

24
25 Payment Interval: Annual

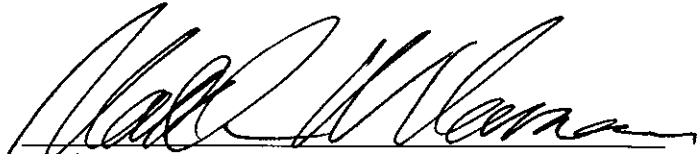
26
27 Amortization Schedule: Level, fully amortizing

28
29 Security: A subordinate lien pledge of the Gross Revenues less the Operating Expenses of the
30 System as those terms are defined in Ordinance No. AO No. 99-119(S), provided that if such
31 monies are not sufficient, repayment of the loan shall be from any legally available funds
32 accruing to or in the possession of the Municipality; and provided further that repayment of the
33 loan is not a direct obligation of the Municipality and neither the faith and credit nor the taxing
34 power of the Municipality are pledged therefore.

35
36 **Section 3. Approval and Executing of Loan Agreements:** The loan offers are approved and
37 the Mayor, with the Chief Fiscal Officer of the Municipality and the General Manager of
38 AWWU, are hereby authorized, empowered and directed to execute and deliver the Loan
39 Agreements for and on behalf of the Municipality, including necessary counterparts, and, from
40 and after the executing and delivery of the Loan Agreements, the Mayor, the Chief Fiscal
41 Officer of the Municipality and the General Manager of AWWU, are hereby authorized,
42 empowered and directed to do all such acts and things and to execute all such documents as
43 may be necessary to carry out and comply with the provisions of the Loan Agreements as
44 executed.
45

1 **Section 4. Effective Date:** This Resolution shall take effect immediately upon passage and
2 approval by the Assembly.

3
4 PASSED AND APPROVED by the Anchorage Assembly this 10th day of June,
5 2008.

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8
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10 

11 Chair

12 Area Capital Improvement Fund:

13 Fund 551 Account 1071 Project ID 0000003348

14 \$233,000 (Designated Loan)

15 Fund 551 Account 1071 Project ID 0000004961

16 \$200,000 (Designated Loan)

17
18
19 ATTEST:

20 
21
22 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 351-2008

Meeting Date: May 20, 2008

1 **From:** Mayor

2
3 **Subject:** **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,**
4 **ACCEPTING AND APPROPRIATING TWO STATE OF ALASKA CLEAN**
5 **WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF**
6 **FOUR HUNDRED THIRTY THREE THOUSAND DOLLARS (\$433,000)**
7 **FOR FINANCING A PORTION OF THE COSTS OF THE COPE-**
8 **DORBRANT SEWER UPGRADE AND ASPLUND GENERATOR**
9 **UPGRADE PROJECTS**

10
11 The Municipality of Anchorage has received formal Alaska Clean Water Fund loan offers from
12 the State of Alaska for the purpose of financing a portion of the cost of the Cope-Dorbrant
13 Sewer Upgrade and Asplund Generator Upgrade projects.

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

18
19 At its May 7, 2008 meeting, the AWWU Authority Board supported this resolution to accept
20 and appropriate funding from said loan agreements for these projects.

21
22 **THE ADMINISTRATION CONCURS IN THE AWWU BOARD**
23 **RECOMMENDATION AND REQUESTS APPROVAL OF THIS RESOLUTION**
24 **ACCEPTING AND APPROPRIATING TWO STATE OF ALASKA CLEAN WATER**
25 **FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF FOUR HUNDRED**
26 **THIRTY THREE THOUSAND DOLLARS (\$433,000) FOR FINANCING A PORTION**
27 **OF THE COSTS OF THE COPE-DORBRANT SEWER UPGRADE AND ASPLUND**
28 **GENERATOR UPGRADE PROJECTS**

29
30 Prepared by: Anchorage Water and Wastewater Utility

31 Recommended by: Mark Premo, P.E., General Manager, AWWU

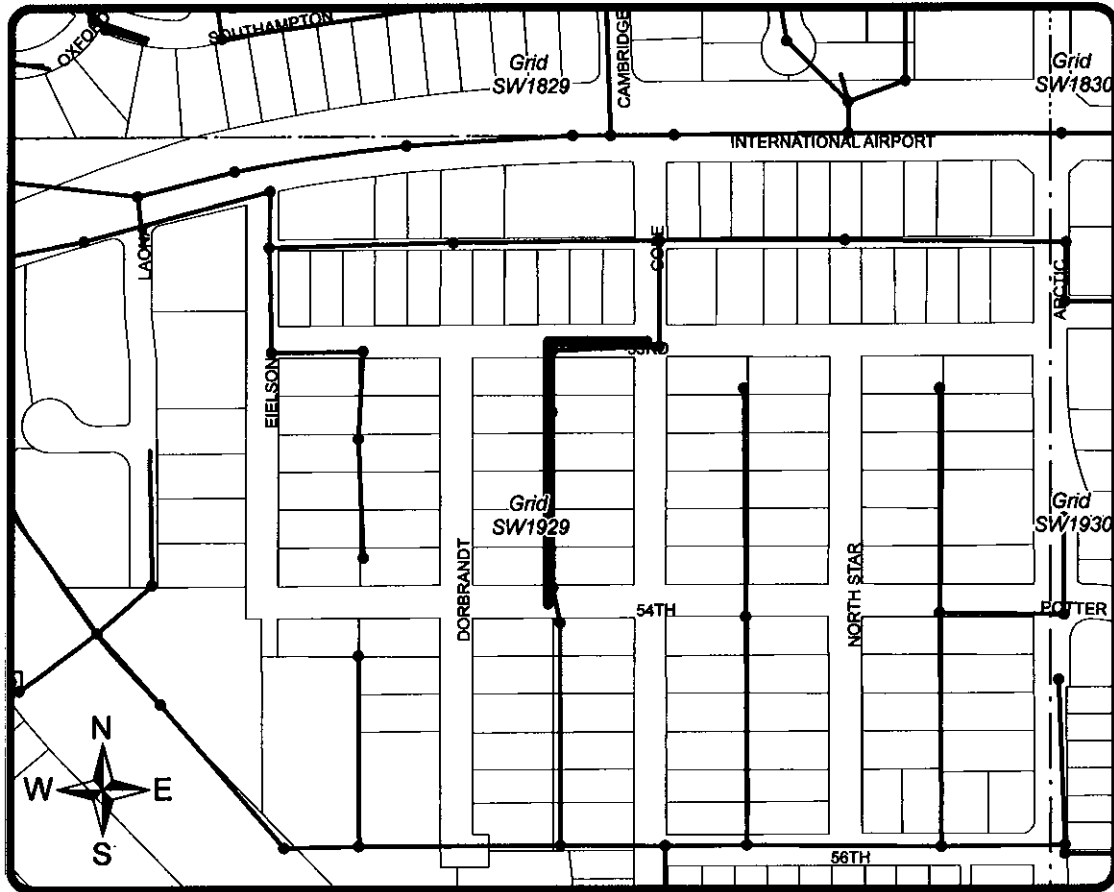
32 Fund Certification: Sharon Weddleton, CFO

33 Fund 551 Account 1071 Project ID 0000003348 \$233,000 (Designated Loan)

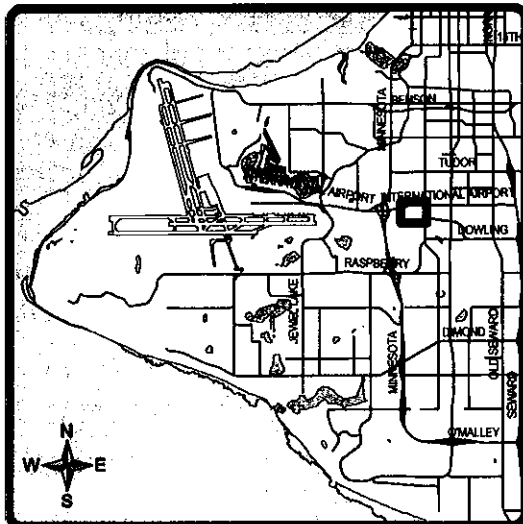
34 Fund 551 Account 1071 Project ID 0000004961 \$200,000 (Designated Loan)

35 Concur: Michael K. Abbott, Municipal Manager





36 Respectfully submitted: Mark Begich, Mayor



Maps Not-to-Scale



LEGEND

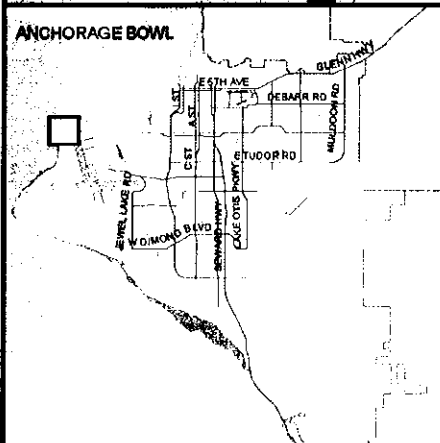
-  Project Sewer Mains
-  Existing Sewer Mains
-  Existing Manholes
-  Project Map Area



Map Created
by AJU
5-02-07

Cope Dorbrant Swr Upgr

PeopleSoft Project ID 0000003348
Anchorage Water & Wastewater Utility



Municipality of Anchorage



Anchorage Water and Wastewater Utility

AWWTF_Gen-Elec_Rm_Upgr

People Soft Number 0000004961



Water



Wastewater

Water

Wastewater

Existing Water Pipe

Existing Wastewater Pipe

Map Created: 09/25/2007



ANCHORAGE WATER AND WASTEWATER UTILITY
BOARD MEMORANDUM
No. 2008-38

AUTHORITY BOARD
APPROVED

Date: May 7, 2008

Meeting Date: May 7, 2008

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

2
3 Subject: Acceptance and Appropriation of Two (2) Alaska Clean Water Fund
4 Loan Offers in the Aggregate Amount of \$433,000
5

6 AWWU Board Memorandum 2006-19 was introduced and approved at the Board meeting of
7 October 4, 2006. It outlined the process for applying for project loan funding under the Alaska
8 Clean Water Fund (ACWF) and the Alaska Drinking Water Fund (ADWF) loan programs.
9 These programs provide loans at the rate of 1.5% for up to twenty years in duration to cities,
10 boroughs and qualified private water utilities.
11

12 AWWU Board Memoranda 2007-56(s) and 2008-10 also approved AWWU to introduce
13 Assembly Ordinances AO2007-127 and AO2008-11 authorizing for the borrowing of said loan
14 funds for 2007 and 2008 CIB projects. Public hearings were held and subsequently closed
15 October 09, 2007 and February 12, 2008. The Assembly authorized AWWU to begin to secure
16 the loan funds.
17

18 AWWU has now received Two (2) ACWF loan agreements: Cope-Dorbrant Sewer Upgrade
19 (\$233,000) and Asplund Generator Upgrade (\$200,000) For this reason, we are now bringing
20 before the Board the attached draft Assembly Resolution.
21

22 Approval by the AWWU Board of the attached draft Resolution is requested at the regular
23 meeting of May 7, 2008. With the Board's support, AWWU will present the attached Assembly
24 Resolution and Memorandum to the Assembly seeking approval to appropriate funding from
25 said loan agreements for these projects.
26

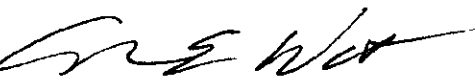
27 Prepared by: Wendy Drew, Project Support/Grants Supervisor, Engineering Division
28 Fund Certification: Glenda Gibson, CPA, CFO

29 Designated Loans -

30 1071-551-0000003348 \$233,000 1071-551-0000004961 \$200,000

31 Respectfully submitted: Mark Premo, P.E., General Manager
32

33 Approved:

34 

35 7 May 2008

36 Calvin E. West, P.E.

37 Date

38 Chair, AWWU Board of Directors

Content ID: 006367**Type:** AR_FundsApprop - Funds Approp Resolution

Title: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING TWO STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF FOUR HUNDRED THIRTY THREE THOUSAND DOLLARS (\$433,000) FOR FINANCING A PORTION OF THE COSTS OF THE COPE-DORBRANT SEWER UPGRADE AND ASPLUND GENERATOR UPGRADE PROJECTS

Author: gibsonam**Initiating Dept:** AWWU**Date Prepared:** 5/8/08 2:40 PM**Director Name:** Mark Premo**Assembly Meeting Date:** 5/20/08**Public Hearing Date:** 6/10/08

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	5/16/08 11:14 AM	Exit	Joy Maglaqui	Public	006367
MuniMgrCoord_SubWorkflow	5/16/08 11:14 AM	Approve	Joy Maglaqui	Public	006367
MuniManager_SubWorkflow	5/16/08 11:14 AM	Approve	Joy Maglaqui	Public	006367
Finance_SubWorkflow	5/16/08 11:08 AM	Approve	Sharon Weddleton	Public	006367
OMB_SubWorkflow	5/15/08 2:57 PM	Approve	Wanda Phillips	Public	006367
AWWU_SubWorkflow	5/9/08 4:12 PM	Approve	Mark Premo	Public	006367
FundsAppropWorkflow	5/9/08 4:09 PM	Checkin	Alyssa Gibson	Public	006367
Finance_SubWorkflow	5/9/08 11:28 AM	Reject	Nina Pruitt	Public	006367
OMB_SubWorkflow	5/9/08 8:35 AM	Approve	Regina Alaterro	Public	006367
AWWU_SubWorkflow	5/8/08 3:12 PM	Approve	Mark Premo	Public	006367
FundsAppropWorkflow	5/8/08 2:42 PM	Checkin	Alyssa Gibson	Public	006367



CONSENT AGENDA - INTRODUCTION