

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Anchorage Water and Wastewater  
Utility  
For reading: September 16, 2008

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: 9-30-08

AR No. 2008-194

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,  
ACCEPTING AND APPROPRIATING TWO (2) STATE OF ALASKA CLEAN  
WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF ONE  
MILLION TWO HUNDRED EIGHTY THOUSAND DOLLARS (\$1,280,000) FOR  
FINANCING A PORTION OF THE COSTS OF THE PUMP STATION 10 UPGRADES  
AND DOWNTOWN 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 2007-128 and AO 2008-12, 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 \$1,280,000 to finance a portion of the costs of the Pump Station 10 Upgrades (\$1,000,000) and Downtown Sewer Upgrade (\$280,000) 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 September 3, 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 One Million Two  
8 Hundred Eighty Thousand Dollars (\$1,280,000) 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 \$1,280,000 (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.

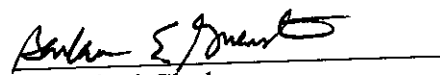
35  
36 **Section 3. Approval and Executing of Loan Agreements:** The loan offers are approved and  
37 the Mayor, with the Chief Fiscal Officer of the Municipality and the General Manager of  
38 AWWU, are hereby authorized, empowered and directed to execute and deliver the Loan  
39 Agreements for 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 30<sup>th</sup> day of September,  
5 2008.

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7  
8  
9   
10 Chair

11  
12  
13  
14 ATTEST:

15   
16 Municipal Clerk  
17

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 574-2008

Meeting Date: September 16, 2008

1 **From:** Mayor

2  
3 **Subject:** **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,**  
4 **ACCEPTING AND APPROPRIATING TWO (2) STATE OF ALASKA**  
5 **CLEAN WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT**  
6 **OF ONE MILLION TWO HUNDRED EIGHTY THOUSAND DOLLARS**  
7 **(\$1,280,000) FOR FINANCING A PORTION OF THE COSTS OF THE**  
8 **PUMP STATION 10 UPGRADES AND DOWNTOWN SEWER UPGRADE**  
9 **PROJECTS**

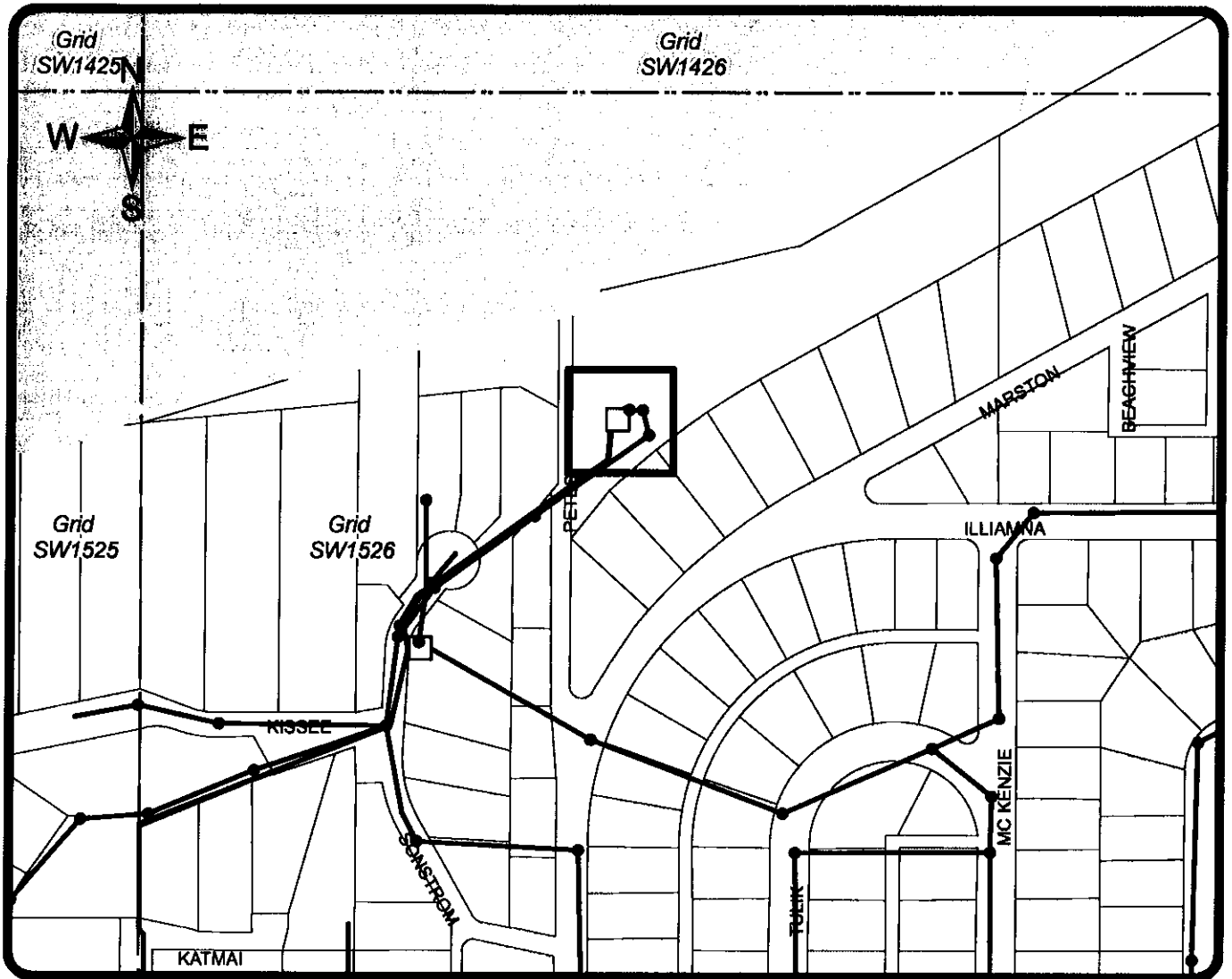
10  
11 The Municipality of Anchorage has received formal Alaska Clean Water Fund loan offers from  
12 the State of Alaska for the purpose of financing a portion of the cost of the Pump Station 10  
13 Upgrades and Downtown Sewer Upgrade projects.

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

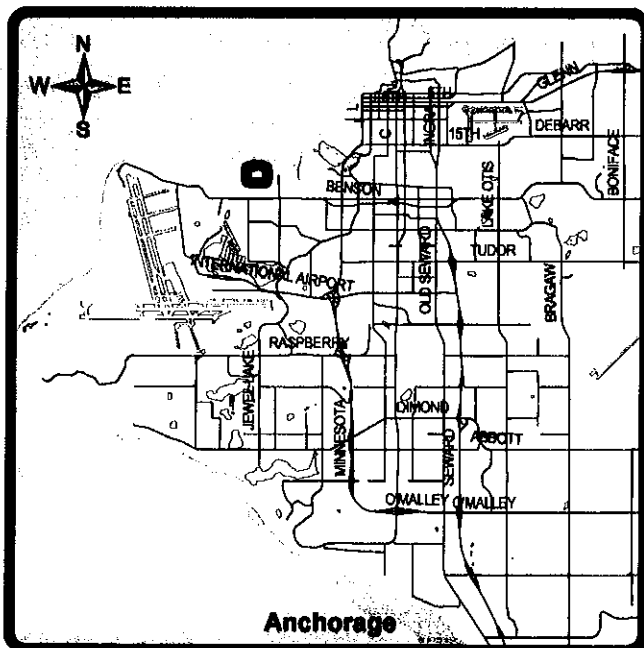
18 At its September 3, 2008 meeting, the AWWU Authority Board supported this resolution to  
19 accept and appropriate funding from said loan agreements for these projects.  
20

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22 **THE ADMINISTRATION CONCURS IN THE AWWU BOARD**  
23 **RECOMMENDATION AND REQUESTS APPROVAL OF THIS RESOLUTION**  
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28 **AND DOWNTOWN SEWER UPGRADE PROJECTS**

29  
30 Prepared by: Anchorage Water and Wastewater Utility  
31 Recommended by: Mark Premo, P.E., General Manager, AWWU  
32 Concur: Michael K. Abbott, Municipal Manager  
33 Respectfully submitted: Mark Begich, Mayor



Maps Not-to-Scale



## LEGEND

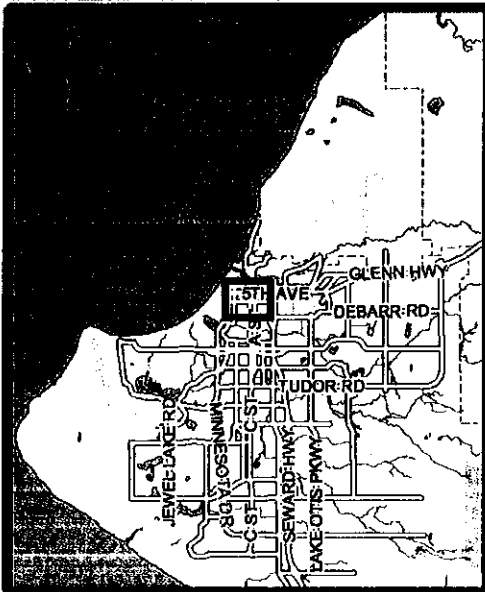
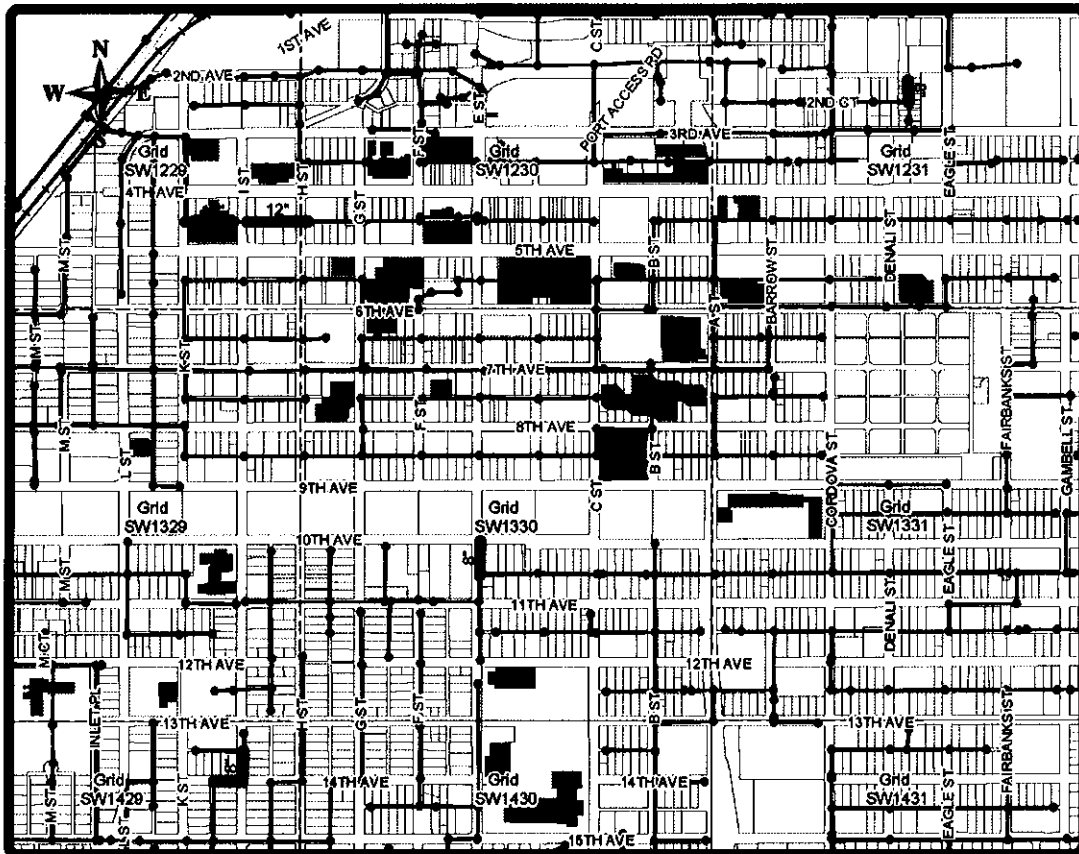
- Existing Sewer Mains
- Existing Manholes
- Project Map Area



Map Created  
by AJU  
8-28-07

## PS\_10\_Upgr

PeopleSoft Project ID 0000003738  
Anchorage Water & Wastewater Utility



Date generated: 11/29/2006

1 inch equals 900 feet

- Project Sewer Main
- Project Sewer Facility
- Existing Sewer Main
- Existing Manhole
- Project Map Area



*Note: Planning level mapping*

### Downtown Swr Upgr

2006 WWMP Project #79 (Rehabilitation & Repair: Replace in Road)

Upgrade approximately 1,345 feet of 8" to 12" pipe to address reoccurring maintenance problems. There is an abandoned VC pipe in the lane parallel to 3rd and 4th Avenue, inbetween K and I St. The pipe does not appear on AWWU database.

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31 Recommended by: Mark Premo, P.E., General Manager, AWWU  
32 Concur: Michael K. Abbott, Municipal Manager  
33 Respectfully submitted: Mark Begich, Mayor

**Content ID:** 006764**Type:** AR\_AllOther - All Other Resolutions

**Title:** A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING AND APPROPRIATING TWO (2) STATE OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF ONE MILLION TWO HUNDRED EIGHTY THOUSAND DOLLARS (\$1,280,000) FOR FINANCING A PORTION OF THE COSTS OF THE PUMP STATION 10 UPGRADES AND DOWNTOWN SEWER UPGRADE PROJECTS

**Author:** pruittns**Initiating Dept:** AWWU**Review Depts:** Finance**Date Prepared:** 9/4/08 1:12 PM**Director Name:** Mark Premo**Assembly Meeting Date:** 9/16/08**Public Hearing Date:** 10/14/08

| <u>Workflow Name</u>     | <u>Action Date</u> | <u>Action</u> | <u>User</u>      | <u>Security Group</u> | <u>Content ID</u> |
|--------------------------|--------------------|---------------|------------------|-----------------------|-------------------|
| Clerk_Admin_SubWorkflow  | 9/5/08 10:06 AM    | Exit          | Joy Maglaqui     | Public                | 006764            |
| MuniMgrCoord_SubWorkflow | 9/5/08 10:06 AM    | Approve       | Joy Maglaqui     | Public                | 006764            |
| MuniManager_SubWorkflow  | 9/5/08 8:38 AM     | Approve       | Joy Maglaqui     | Public                | 006764            |
| Finance_SubWorkflow      | 9/4/08 4:54 PM     | Approve       | Sharon Weddleton | Public                | 006764            |
| Finance_SubWorkflow      | 9/4/08 4:46 PM     | Checkin       | Nina Pruitt      | Public                | 006764            |
| AWWU_SubWorkflow         | 9/4/08 2:16 PM     | Approve       | Mark Premo       | Public                | 006764            |
| AllOtherARWorkflow       | 9/4/08 2:11 PM     | Checkin       | Alyssa Gibson    | Public                | 006764            |
| MuniManager_SubWorkflow  | 9/4/08 1:44 PM     | Reject        | Joy Maglaqui     | Public                | 006764            |
| AWWU_SubWorkflow         | 9/4/08 1:21 PM     | Approve       | Mark Premo       | Public                | 006764            |
| AllOtherARWorkflow       | 9/4/08 1:13 PM     | Checkin       | Alyssa Gibson    | Public                | 006764            |