

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Anchorage Water and  
Wastewater Utility  
For reading: November 25, 2008

CLERK'S OFFICE

APPROVED

Date: 1/6/09

ANCHORAGE, ALASKA  
AR No. 2008-287

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,  
2 ACCEPTING AND APPROPRIATING THREE (3) STATE OF ALASKA CLEAN  
3 WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF THREE  
4 MILLION SEVEN HUNDRED NINETY FIVE THOUSAND DOLLARS  
5 (\$3,795,000) FOR FINANCING A PORTION OF THE COSTS OF THE C-5-A  
6 KING ROVENNA SEWER UPGRADE, C-5-1 (NORTH CAMPBELL LAKE)  
7 SEWER TRUNK, AND ASPLUND DISINFECTION STUDY AND UPGRADE  
8 PROJECTS  
9

10  
11 WHEREAS, the State of Alaska (the "State") has, pursuant to Alaska Statutes 46.03.032  
12 and 18 AAC 76.005 et seq. of the Alaska Administrative Code, established the Alaska  
13 Clean Water Fund (the "Fund"), a fund which makes use of U.S. Government grants as  
14 authorized by the Clean Water Act, as amended by P.L. 100-4; and,  
15

16 WHEREAS, the Municipality of Anchorage (the "Municipality") is eligible to borrow  
17 from the Fund for the purposes of planning, designing, constructing, equipping,  
18 modifying, improving and expanding public wastewater collection, treatment and  
19 discharge facilities; and,  
20

21 WHEREAS, the Assembly of the Municipality, in its Ordinance No. AO 2007-128 and  
22 AO 2008-12, determined it was necessary to proceed to plan, design, develop, construct,  
23 equip, acquire property for, or otherwise obtain items of capital improvements in  
24 connection with the 2007 and 2008 Capital Improvement Budget projects; authorized the  
25 borrowing from the Fund for the purpose of financing a portion of the cost of said  
26 projects; and authorized and directed the General Manager of the Anchorage Water and  
27 Wastewater Utility ("AWWU") to complete and submit to the State Department of  
28 Environmental Conservation ("DEC") applications to borrow money from the Fund and  
29 to negotiate with DEC the terms of such loans; and,  
30

31 WHEREAS, AWWU has submitted applications for loans in connection with said  
32 projects, said applications for these loans have been approved, and AWWU has  
33 negotiated the terms of these loans from the Fund in the aggregate amount of \$3,795,000  
34 to finance a portion of the costs of the C-5-A King Rovenna Sewer Upgrades  
35 (\$2,500,000), C-5-1 (North Campbell Lake) Sewer Trunk (\$1,045,000), and Asplund  
36 Disinfection Study and Upgrade (\$250,000) projects; and,  
37

38 WHEREAS, the terms and conditions of said loans are contained in the Alaska Clean  
39 Water Fund Loan Agreements between the Municipality and DEC; and,  
40  
41

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

5 WHEREAS, at its November 5, 2008 meeting, the AWWU Authority Board supported this  
6 resolution to accept and appropriate funding from said loan agreements for these projects; now,  
7 therefore,  
8

9 THE ANCHORAGE ASSEMBLY RESOLVES:  
10

11 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of Three Million Seven  
12 Hundred Ninety Five Thousand Dollars (\$3,795,000) are hereby accepted and appropriated.  
13

14 **Section 2. Loan Terms:** The following primary terms of the loans are among those  
15 incorporated in the Loan Agreements as hereby specifically approved:  
16

17 Principal Amount: Not to exceed \$3,795,000 (subject to individual draws)  
18

19 Interest Rate: 1.5% per annum  
20

21 Interest Accrual: Accrual of interest will begin one year after the date of the first disbursement  
22 to the Municipality  
23

24 Term: Twenty years from the date of initiation of operation of the respective Projects  
25

26 Date of First Payment: One year following substantial completion and initiation of operation  
27 of the respective Projects  
28

29 Payment Interval: Annual  
30

31 Amortization Schedule: Level, fully amortizing  
32

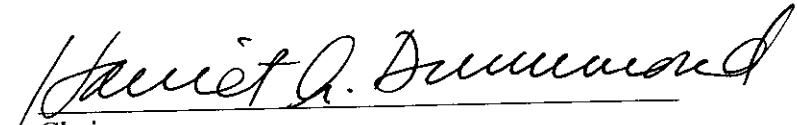
33 Security: A subordinate lien pledge of the Gross Revenues less the Operating Expenses of the  
34 System as those terms are defined in Ordinance No. AO No. 99-119(S), provided that if such  
35 monies are not sufficient, repayment of the loan shall be from any legally available funds  
36 accruing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

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

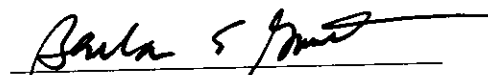
1 may be necessary to carry out and comply with the provisions of the Loan Agreements as  
2 executed.

3  
4 **Section 4. Effective Date:** This Resolution shall take effect immediately upon passage and  
5 approval by the Assembly.

6  
7 PASSED AND APPROVED by the Anchorage Assembly this 6<sup>th</sup> day of January,  
8 2009.

9  
10  
11   
12 \_\_\_\_\_  
13 Chair

14  
15  
16  
17 ATTEST:

18   
19 \_\_\_\_\_  
20 Municipal Clerk

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 800-2008

Meeting Date: November 25, 2008

1 **From:** Mayor

2  
3 **Subject:** A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE,  
4 ALASKA, ACCEPTING AND APPROPRIATING THREE (3) STATE  
5 OF ALASKA CLEAN WATER FUND LOAN OFFERS IN THE  
6 AGGREGATE AMOUNT OF THREE MILLION SEVEN HUNDRED  
7 NINETY FIVE THOUSAND DOLLARS (\$3,795,000) FOR FINANCING  
8 A PORTION OF THE COSTS OF THE C-5-A KING ROVENNA  
9 SEWER UPGRADE, C-5-1 (NORTH CAMPBELL LAKE) SEWER  
10 TRUNK, AND ASPLUND DISINFECTION STUDY AND UPGRADE  
11 PROJECTS  
12

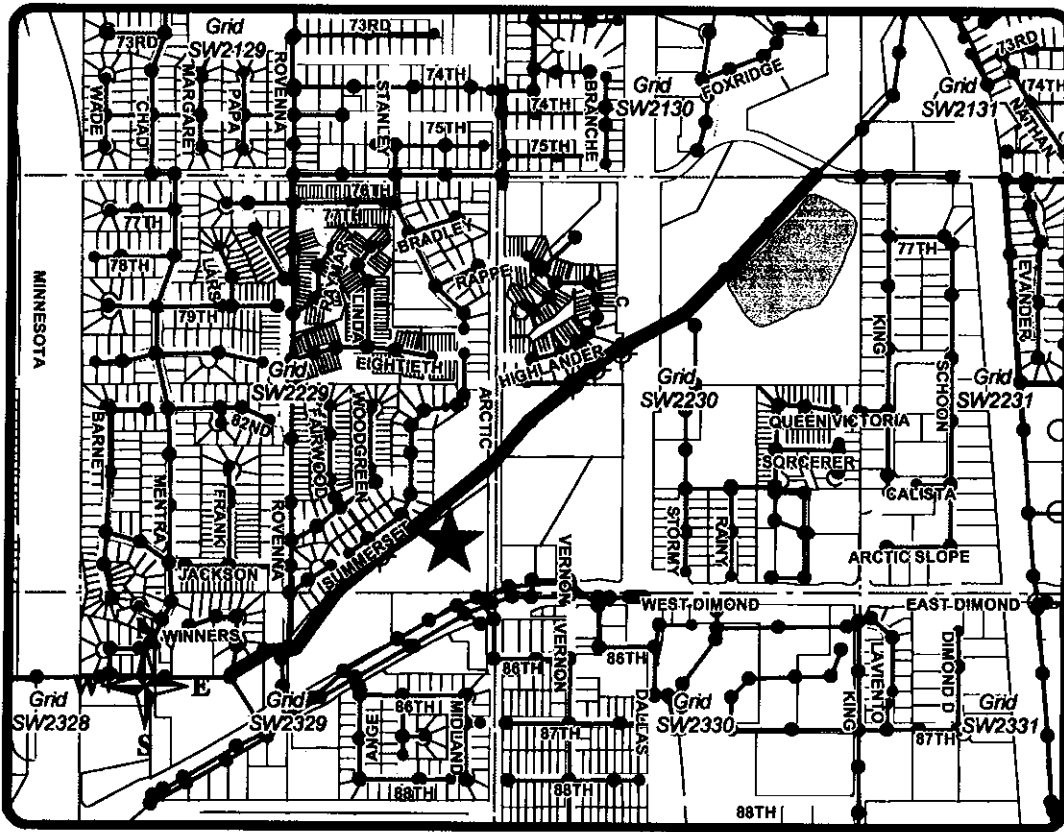
13 The Municipality of Anchorage has received formal Alaska Clean Water Fund loan  
14 offers from the State of Alaska for the purpose of financing a portion of the cost of the C-  
15 5-A King Rovenna Sewer Upgrade, C-5-1 (North Campbell Lake) Sewer Trunk, and  
16 Asplund Disinfection Study and Upgrade projects.  
17

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

23 At its November 5, 2008 meeting, the AWWU Authority Board supported this resolution  
24 to accept and appropriate funding from said loan agreements for these projects.  
25

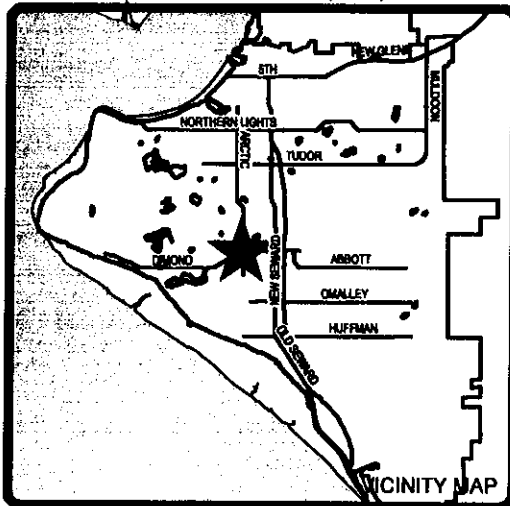
26 **THE ADMINISTRATION CONCURS IN THE AWWU BOARD**  
27 **RECOMMENDATION AND REQUESTS APPROVAL OF THIS RESOLUTION**  
28 **ACCEPTING AND APPROPRIATING THREE (3) STATE OF ALASKA CLEAN**  
29 **WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF THREE**  
30 **MILLION SEVEN HUNDRED NINETY FIVE THOUSAND DOLLARS**  
31 **(\$3,795,000) FOR FINANCING A PORTION OF THE COSTS OF THE C-5-A**  
32 **KING ROVENNA SEWER UPGRADE, C-5-1 (NORTH CAMPBELL LAKE)**  
33 **SEWER TRUNK, AND ASPLUND DISINFECTION STUDY AND UPGRADE**  
34 **PROJECTS**  
35

36 Prepared by: Anchorage Water and Wastewater Utility  
37 Recommended by: Mark Premo, P.E., General Manager, AWWU  
38 Concur: Michael K. Abbott, Municipal Manager  
39 Respectfully submitted: Mark Begich, Mayor






PROJECT MAP GRID SW2329,2229,2230

Map N.T.S.



Awwufile\AWWU Common\Capital Budget\Maps\Sewer\000003051...

## Legend

-  Proposed Sewer Upgrades
-  Existing Sewer Lines
-  Approximate location

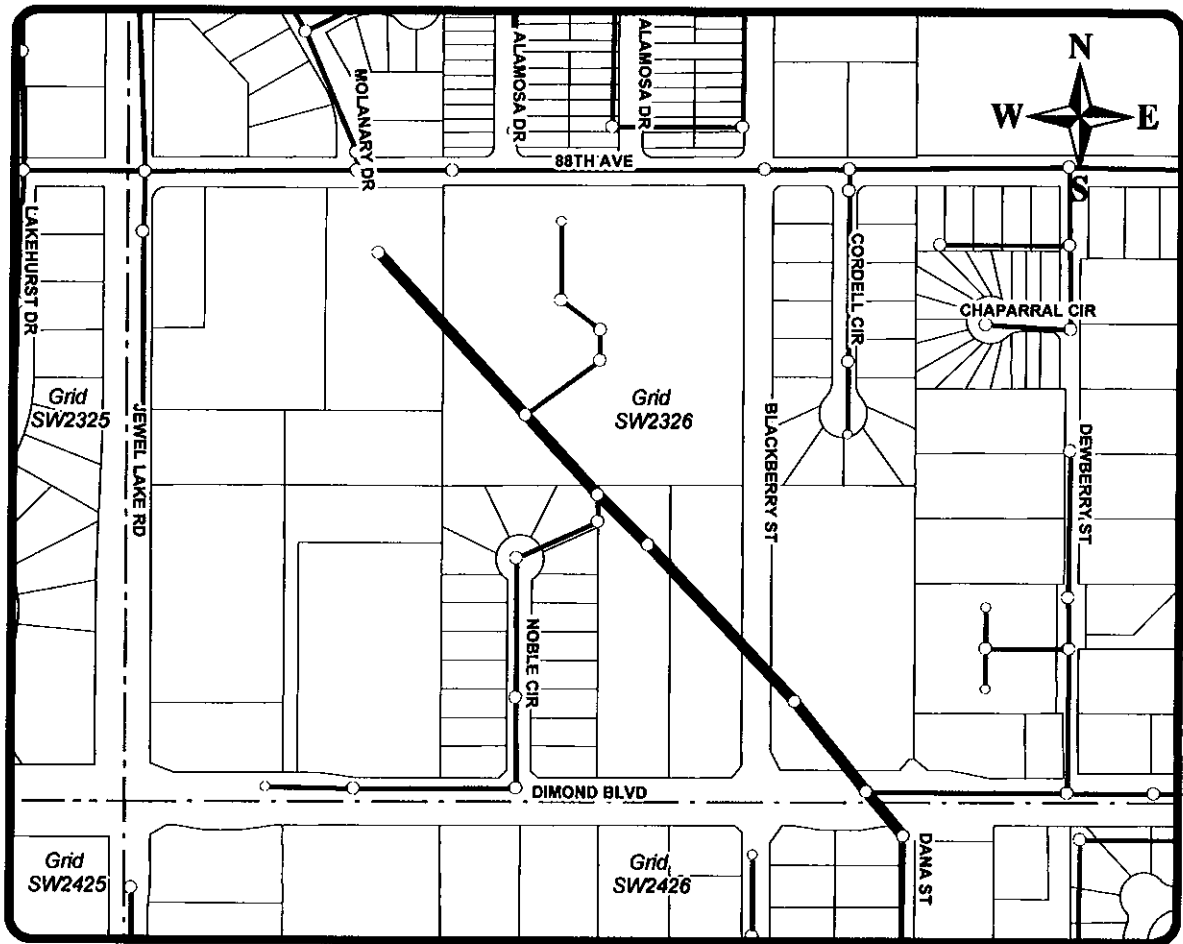


Map Created  
8/3/04 SDN  
PM ID 3088

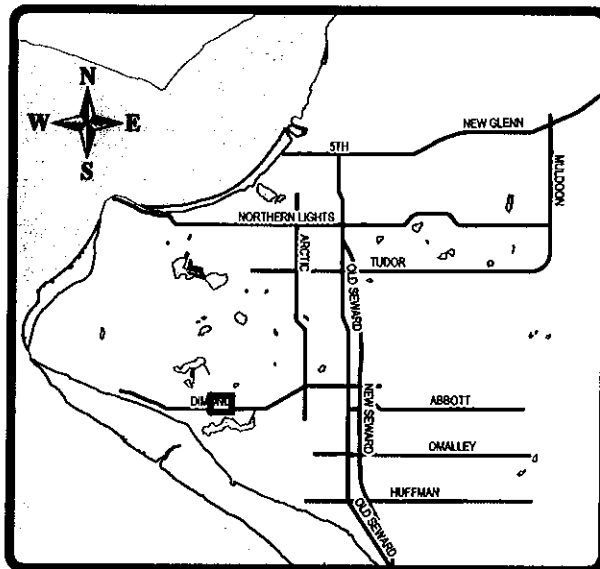
## C-5-A King St. to Rovena St. Sewer Upgrade

PeopleSoft Project ID 0000003051  
(C-5-A\_King-Rovena\_SWR\_Upgr)





Anchorage Water & Wastewater Utility



Maps Not-to-Scale



## LEGEND

-  Existing Sewer Pipe
-  Proposed Sewer Pipe
-  Existing Sewer Manhole
-  Project Map Area

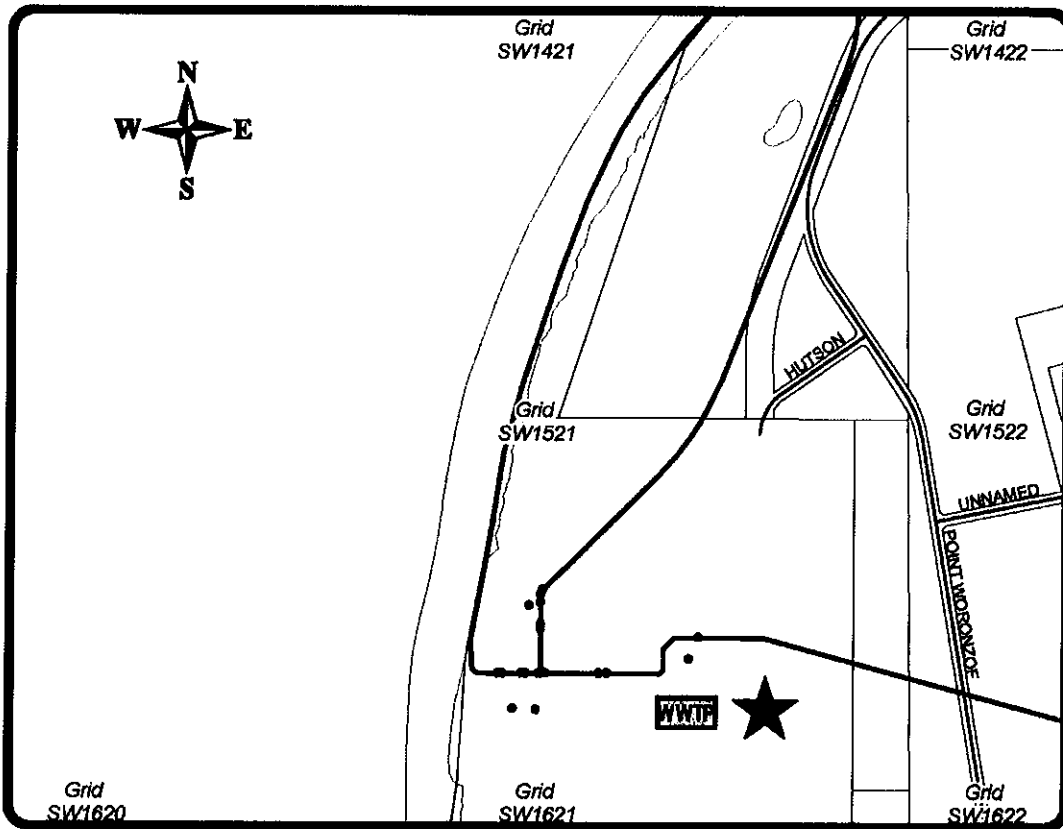


Map Created  
9/17/2003

## C-5-1\_N\_Campbell\_Lk\_SWR\_Upgr

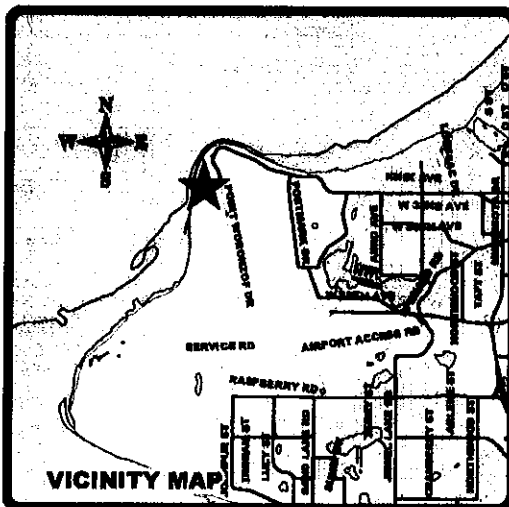
People Soft Project ID 0000002196

Anchorage Water & Wastewater Utility






**PROJECT MAP GRID SW1521**

Map N.T.S.



**VICINITY MAP**

**Legend:**

-  Existing Sewer Lines
-  Approximate location
-  Existing Manhole



Map Created  
1/25/07 SDN  
PM ID

**ASPLUND DISINFECTION**

PeopleSoft Project ID 0000004812

Anchorage Water & Wastewater Utility

**Content ID:** 007105**Type:** AR\_AllOther - All Other Resolutions

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ACCEPTING AND APPROPRIATING THREE (3) STATE OF ALASKA CLEAN  
WATER FUND LOAN OFFERS IN THE AGGREGATE AMOUNT OF THREE

**Title:** MILLION SEVEN HUNDRED NINETY FIVE THOUSAND DOLLARS (\$3,795,000)  
FOR FINANCING A PORTION OF THE COSTS OF THE C-5-A KING ROVENNA  
SEWER UPGRADE, C-5-1 (NORTH CAMPBELL LAKE) SEWER TRUNK, AND  
ASPLUND DISINFECTION STUDY AND UPGRADE PROJECTS

**Author:** gibsonam**Initiating  
Dept:** AWWU**Date  
Prepared:** 11/10/08 6:50 PM**Director  
Name:** Mark Premo**Assembly  
Meeting  
Date:** 11/25/08**Public  
Hearing  
Date:** 12/16/08

<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	11/14/08 10:38 AM	Exit	Heather Handyside	Public	007105
MuniMgrCoord_SubWorkflow	11/14/08 10:38 AM	Approve	Heather Handyside	Public	007105
MuniManager_SubWorkflow	11/14/08 10:23 AM	Approve	Michael Abbott	Public	007105
AWWU_SubWorkflow	11/10/08 6:59 PM	Approve	Mark Premo	Public	007105
AllOtherARWorkflow	11/10/08 6:51 PM	Checkin	Alyssa Gibson	Public	007105