

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Anchorage Water and
Wastewater Utility
For reading: December 15, 2009

CLERK'S OFFICE

APPROVED

Date: 1-12-10

ANCHORAGE, ALASKA

AR No. 2009-305

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING SIX STATE OF ALASKA CLEAN WATER FUND LOAN
AGREEMENTS IN THE AGGREGATE AMOUNT OF TWENTY MILLION
THREE HUNDRED SEVENTY FOUR THOUSAND DOLLARS (\$20,374,000)**

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 water treatment, transmission and distribution facilities; and,

WHEREAS, AWWU has submitted applications for loans in connection with the following 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 \$20,374,000 to finance a portion of the costs of the Septage Improvements Phase II, Cope-Dorbrant Sewer Upgrade, Pump Station 10 Upgrades, Eagle River Wastewater Treatment Facility Improvements, Asplund Generator Upgrade, and Girdwood Wastewater Treatment Facility Improvements projects; and,

WHEREAS, the Assembly of the Municipality, through approved Assembly Ordinance 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 these 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, 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 December 2, 2009 meeting, the AWWU Board supported this
2 resolution to accept 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 Twenty Million
8 Three Hundred Seventy Four Thousand Dollars (\$20,374,000) are hereby accepted.

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 \$20,374,000 (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
18 disbursement to the Municipality

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

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

24
25 Payment Interval: Annual

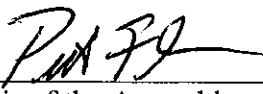
26
27 Amortization Schedule: Level, fully amortizing

28
29 Security: A subordinate lien pledge of the Gross Revenues less the Operating Expenses
30 of the System as those terms are defined in Assembly Ordinance, provided that if such
31 monies are not sufficient, repayment of the loans shall be from any legally available
32 funds accruing to or in the possession of the Municipality; and provided further that
33 repayment of the loans is not a direct obligation of the Municipality and neither the
34 faith and credit nor the taxing power of the Municipality are pledged therefore.

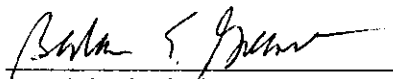
35
36 **Section 3. Approval and Executing of Loan Agreement:** The loan offers are
37 approved and the General Manager and Chief Financial Officer of AWWU, are hereby
38 authorized, empowered and directed to execute and deliver the Loan Agreements for
39 and on behalf of the Municipality, including necessary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

43
44 **Section 4. Effective Date:** This Resolution shall take effect immediately upon passage
45 and approval by the Assembly.
46

1 PASSED AND APPROVED by the Anchorage Assembly this 12th day of
2 January, 2010.
3
4

5 
6 _____
7 Chair of the Assembly
8
9

10
11 ATTEST:
12

13 
14 _____
15 Municipal Clerk
16

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 744-2009

Meeting Date: December 15, 2009

1 **From: Mayor**

2
3 **Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE,**
4 **ALASKA, ACCEPTING SIX STATE OF ALASKA CLEAN WATER**
5 **FUND LOAN AGREEMENTS IN THE AGGREGATE AMOUNT OF**
6 **TWENTY MILLION THREE HUNDRED SEVENTY FOUR**
7 **THOUSAND DOLLARS (\$20,374,000)**
8

9 The Municipality of Anchorage has received formal Alaska Clean Water Fund
10 loan agreements from the State of Alaska for the purpose of financing a portion
11 of the cost of the Septage Improvements Phase II, Cope-Dorbrant Sewer
12 Upgrade, Pump Station 10 Upgrades, Eagle River Wastewater Treatment
13 Facility Improvements, Asplund Generator Upgrade, and Girdwood Wastewater
14 Treatment Facility Improvements projects.
15

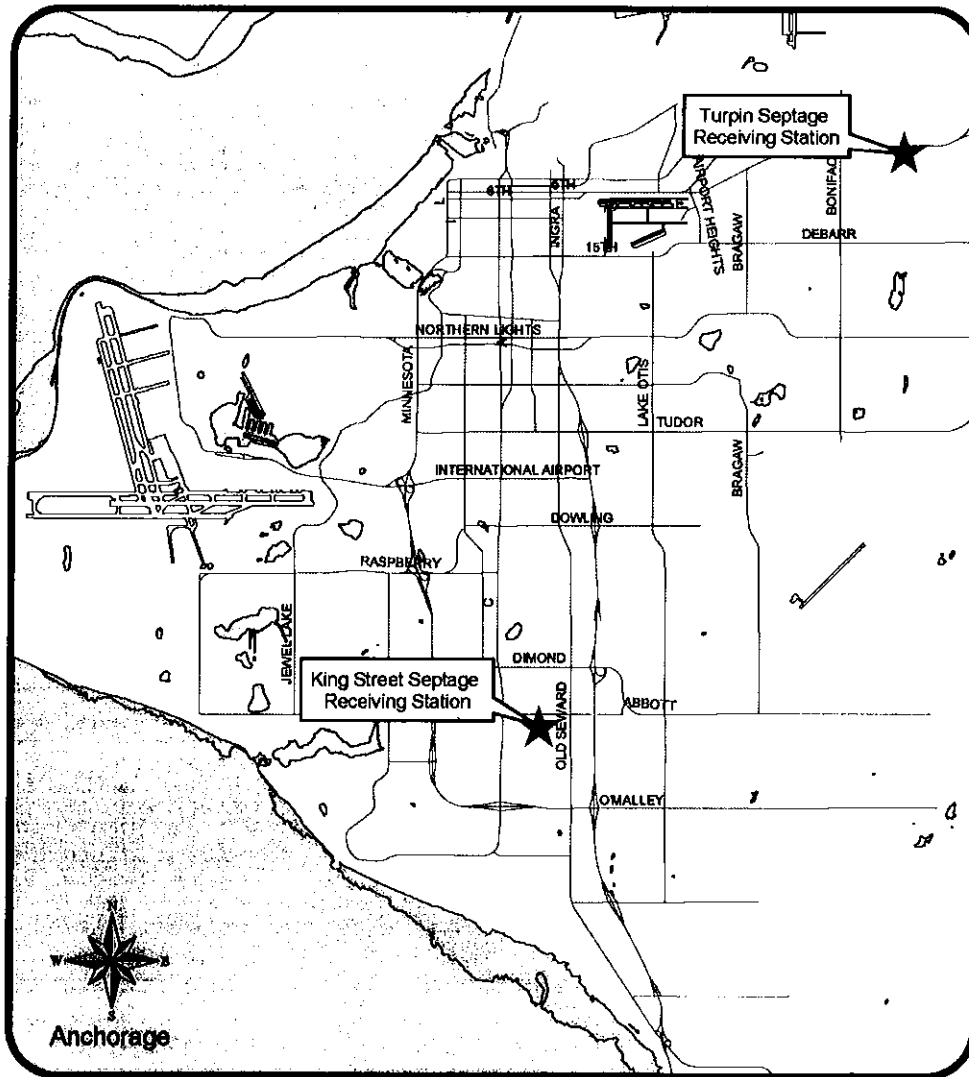
16 These loan offers are made under the State's low-interest revolving loan
17 program, which is attractive to the Municipality due to the low interest rate of
18 1.5% and the favorable payback terms of twenty years from one year after the
19 project's date of initiation of operation.
20

21 At its December 2, 2009 meeting, the AWWU Board supported this resolution
22 to accept funding from said loan agreements for these projects.
23

24 **THE ADMINISTRATION CONCURS WITH THE AWWU AUTHORITY BOARD**
25 **RECOMMENDATION AND REQUESTS APPROVAL OF THIS RESOLUTION**
26 **ACCEPTING SIX STATE OF ALASKA CLEAN WATER FUND LOAN**
27 **AGREEMENTS IN THE AGGREGATE AMOUNT OF TWENTY MILLION**
28 **THREE HUNDRED SEVENTY FOUR THOUSAND DOLLARS (\$20,374,000).**
29

30 Prepared by: Anchorage Water and Wastewater Utility
31 Recommended by: Mark Premo, P.E., General Manager, AWWU
32 Concur: George J. Vakalis, Municipal Manager
33 Respectfully submitted: Daniel A. Sullivan, Mayor

EXHIBIT A



Maps not-to-scale

LEGEND

★ Project Location

Septage Improvements Ph2

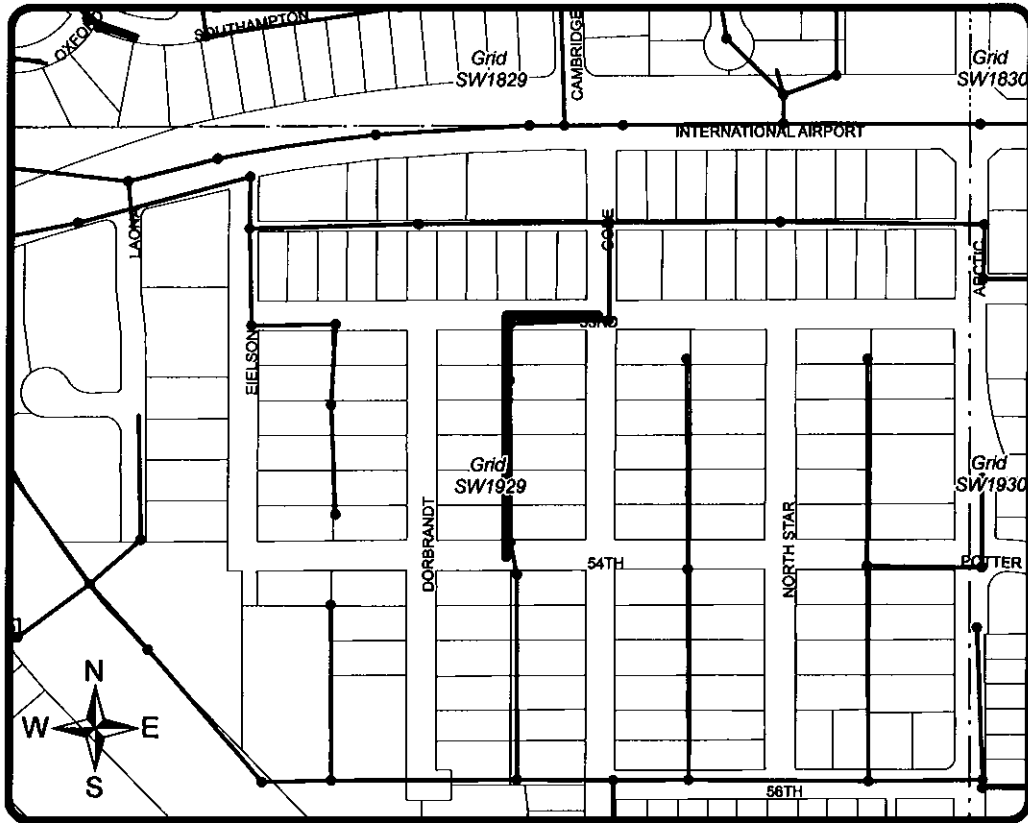
PeopleSoft Project ID 0000003545

Anchorage Water & Wastewater Utility

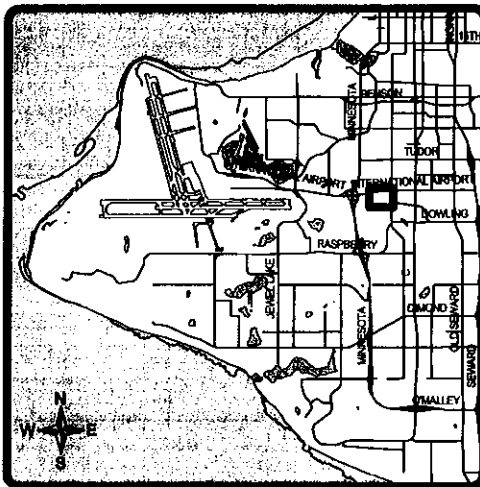


Map Created
by AJU
12/21/2006





EXHIBIT B



Maps Not-to-Scale



LEGEND

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

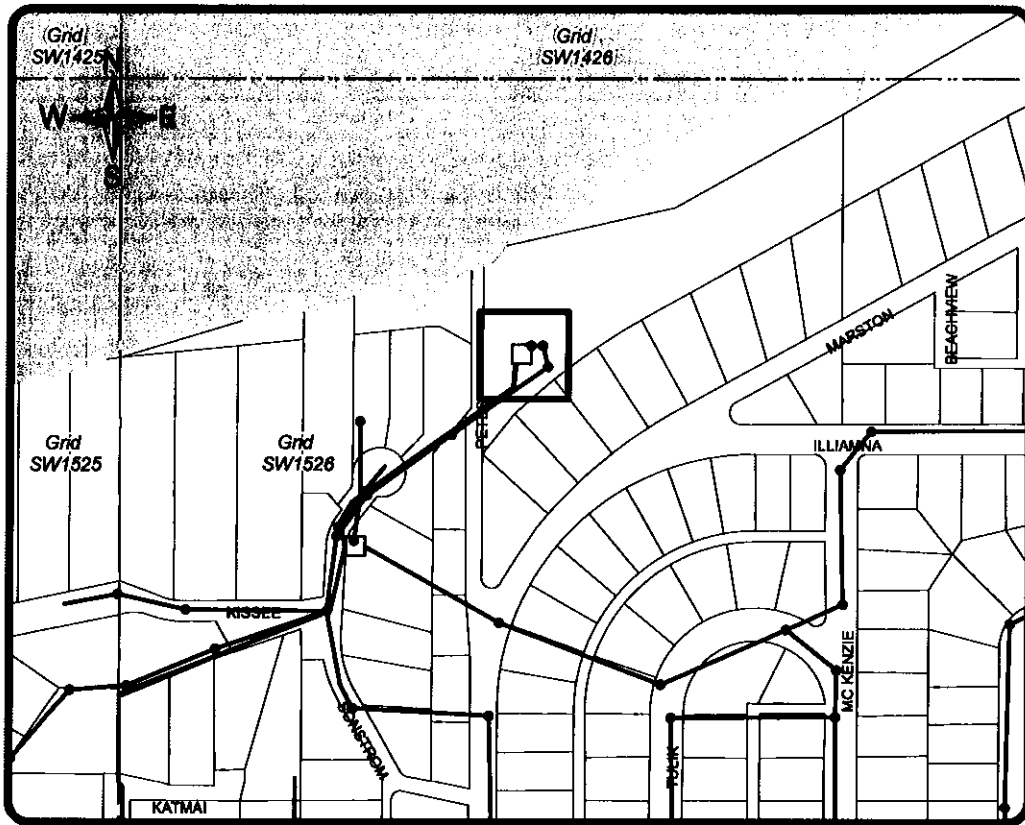


Map Created
by AJU
5-02-07

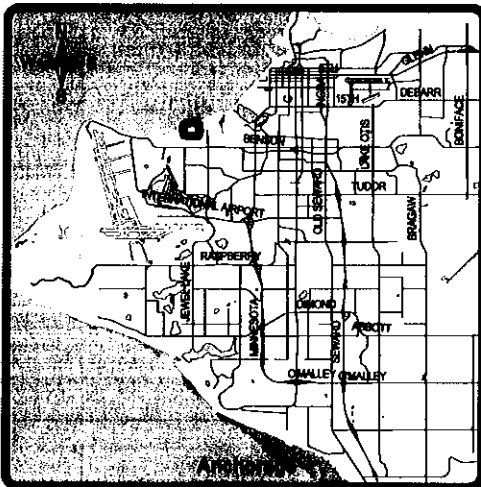
Cope Dorbrant Swr Upgr

PeopleSoft Project ID 000003348
Anchorage Water & Wastewater Utility

EXHIBIT C



Maps Not-to-Scale



LEGEND

- Existing Sewer Mains
- Existing Manholes
- Project Map Area

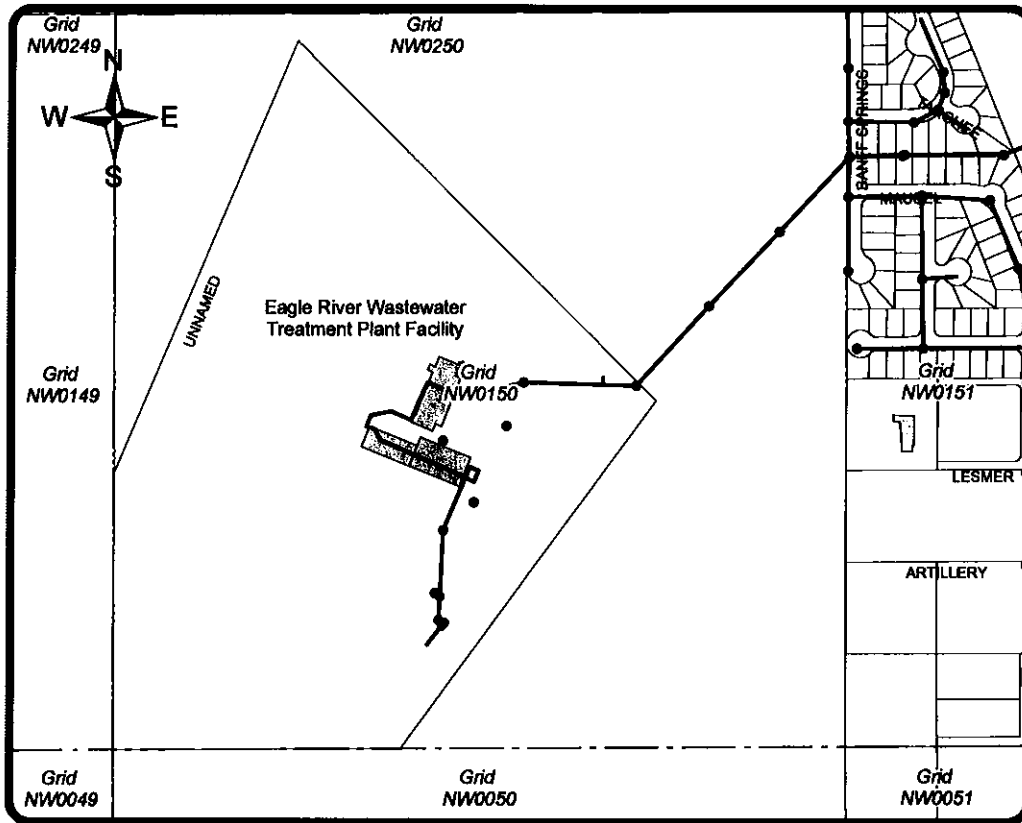


Map Created
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8-28-07

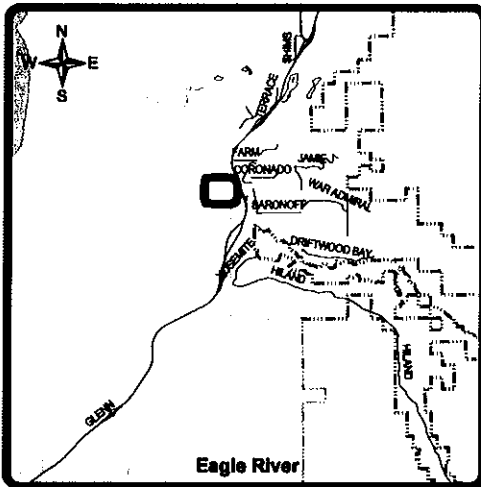
PS_10_Upgr

PeopleSoft Project ID 0000003738
Anchorage Water & Wastewater Utility

EXHIBIT D



Maps Not-to-Scale



LEGEND

- Existing Sewer Mains
- Existing Manholes
- Project Map Area

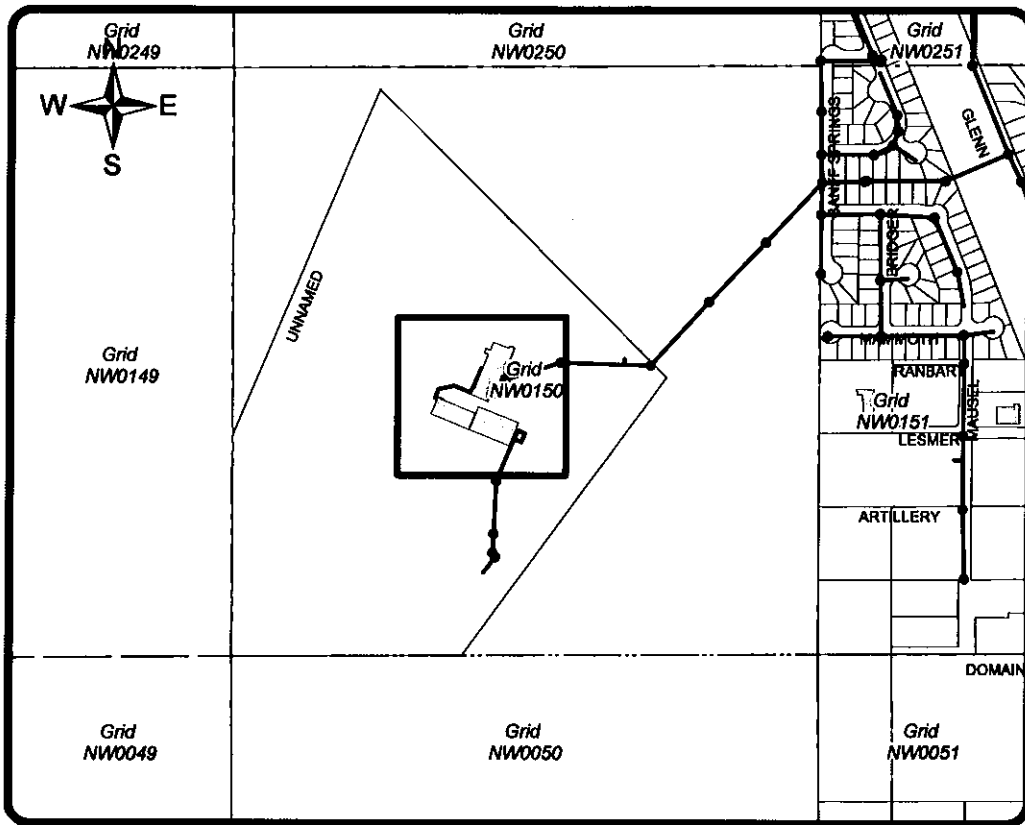


Map Created
by AJU
8-08-07

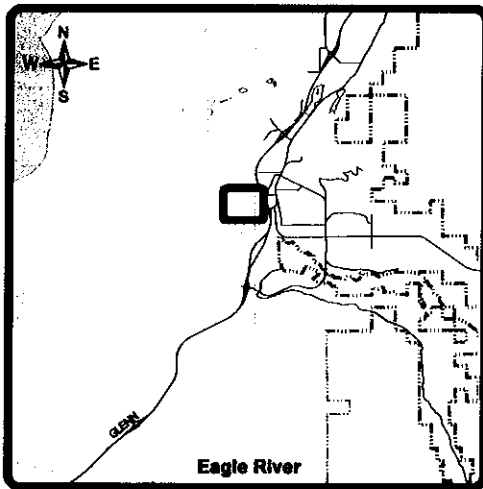
ERWWTF_UV_Disinfection

PeopleSoft Project ID 0000004837
Anchorage Water & Wastewater Utility

EXHIBIT E



Maps Not-to-Scale



LEGEND

- Existing Sewer Mains
- Existing Manholes
- Project Area



Map Created
by AJU
1-31-08

ERWWTF-Bldg 1 Roof Replacement

PeopleSoft Project ID 0000004955
Anchorage Water & Wastewater Utility

The map displays the proposed location of a new water and wastewater treatment plant, marked by a black dot. The site is situated near the intersection of Point Woronzof Drive and a road labeled 'AUTSON'. The map also shows the coastline and surrounding areas. A legend in the bottom right corner identifies the symbols used: a black dot for 'Water' and a black circle for 'Wastewater'. A north arrow is located in the bottom right corner. The map is titled 'Map Created: 09/25/2007'.

Map Legend:

- Water (Black dot)
- Wastewater (Black circle)
- Existing Water Pipe (Solid line)
- Existing Wastewater Pipe (Dashed line)

Map Title: AWWTF_Gen-Elec_Rm_Upgr

Map Created: 09/25/2007

Map Not to Scale

Map Legend:

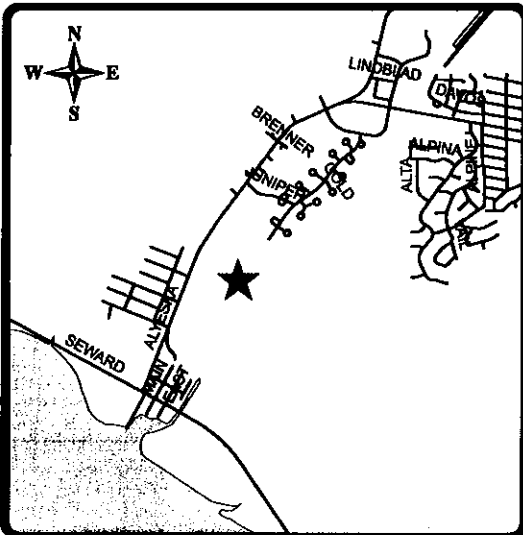
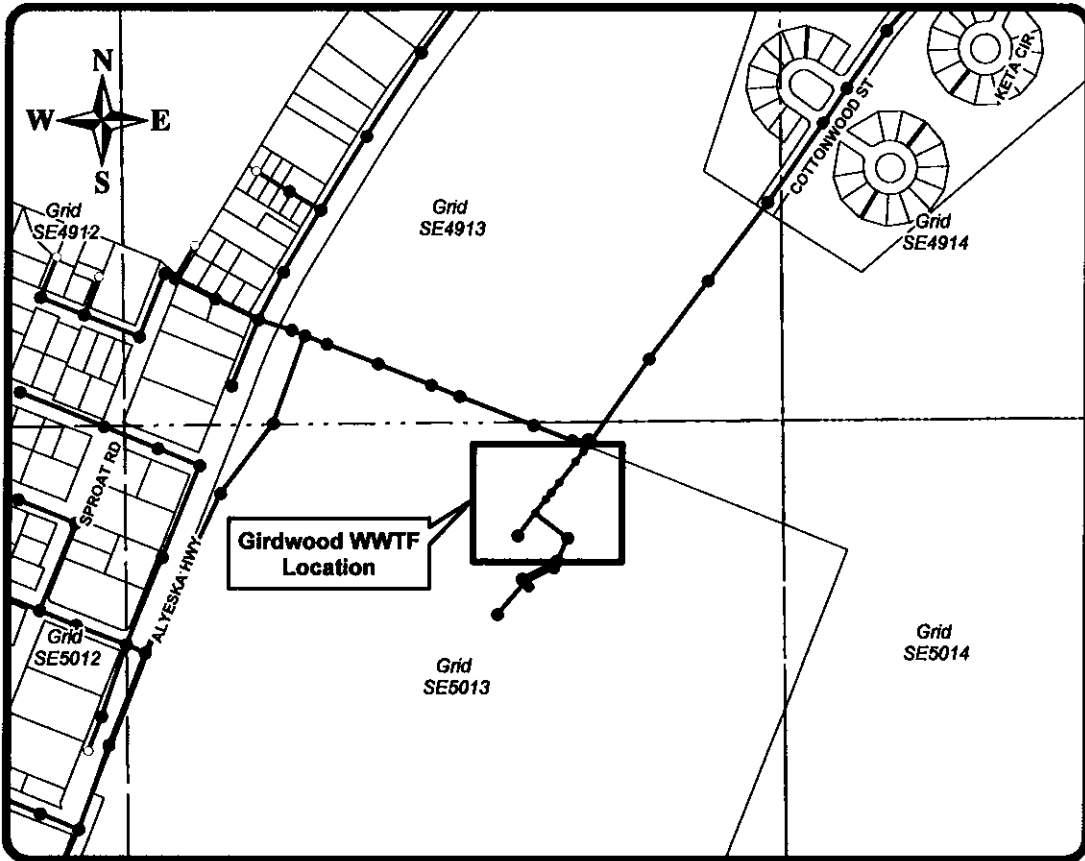
- Water (Black dot)
- Wastewater (Black circle)
- Existing Water Pipe (Solid line)
- Existing Wastewater Pipe (Dashed line)

Map Title: AWWTF_Gen-Elec_Rm_Upgr

Map Created: 09/25/2007

Map Not to Scale

EXHIBIT G



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

G:\WWWU Common\Capital Budget\Maps\Sewer\0000003450-Girdwood_WWTF_Upgr.pdf



ANCHORAGE WATER AND WASTEWATER UTILITY
BOARD MEMORANDUM
No. 2009-120

AUTHORITY BOARD
APPROVED

Date: December 2, 2009

Meeting Date: December 2, 2009

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

2
3 Subject: Acceptance of Six (6) Alaska Clean Water Fund Loan Agreements in the
4 Aggregate Amount of \$20,374,000

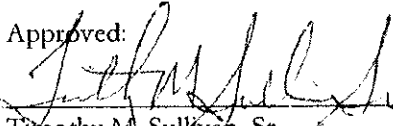
5
6
7 AWWU has received formal Alaska Clean Water Fund loan agreements from the State of Alaska
8 for the purpose of financing a portion of the cost of the Septage Improvements Phase II
9 (\$800,000), Cope-Dorbrant Sewer Upgrade (\$1,000,000), Pump Station 10 Upgrades
10 (\$2,500,000), Eagle River Wastewater Treatment Facility Improvements (\$4,000,000), Asplund
11 Generator Upgrade (\$6,000,000), and Girdwood Wastewater Treatment Facility Improvements
12 (\$6,074,000).

13
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 date of initiation of operation. For this
17 reason, we are now bringing before the Board the attached draft Assembly Resolution.

18
19 Approval by the AWWU Board of the attached draft Resolution is requested at the regular
20 meeting of December 2, 2009. With the Board's support, AWWU will present the attached
21 Assembly Resolution and Memorandum to the Assembly seeking approval to accept said loan
22 agreements for these projects.

23
24 Prepared by: Wendy Drew, Project Support/Grants Supervisor, Engineering Division
25 Fund Concurrence: Glenda Gibson, CPA, CFO, AWWU
26 Submitted By: Mark Premo, P.E., General Manager

27
28 Approved:

29
30 
31 Timothy M. Sullivan, Sr.

32 Date

Chair, AWWU Board of Directors

Content ID: 008504**Type:** AR_AllOther - All Other Resolutions

Title: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING SIX STATE OF ALASKA CLEAN WATER FUND LOAN
AGREEMENTS IN THE AGGREGATE AMOUNT OF TWENTY MILLION THREE
HUNDRED SEVENTY FOUR THOUSAND DOLLARS (\$20,374,000)

Author: gibsonam**Initiating
Dept:** AWWU**Date
Prepared:** 12/7/09 4:33 PM**Director
Name:** Mark Premo**Assembly
Meeting
Date:** 12/15/09**Public
Hearing
Date:** 1/12/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	12/11/09 8:15 AM	Exit	Joy Maglaqui	Public	008504
MuniManager_SubWorkflow	12/11/09 8:15 AM	Approve	Joy Maglaqui	Public	008504
CFO_SubWorkflow	12/8/09 9:44 AM	Approve	Lucinda Mahoney	Public	008504
AWWU_SubWorkflow	12/7/09 4:37 PM	Approve	Mark Premo	Public	008504
AllOtherARWorkflow	12/7/09 4:35 PM	Checkin	Alyssa Gibson	Public	008504

Ad de la Cruz

CONSENT AGENDA - INTRODUCTION