

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Anchorage Water and Wastewater
Utility

For reading: January 19, 2010

CLERK'S OFFICE

APPROVED

Date: 2-2-10

ANCHORAGE, ALASKA

AR No. 2010-15

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING FOUR STATE OF ALASKA CLEAN WATER FUND LOAN
AGREEMENTS IN THE AGGREGATE AMOUNT OF FIVE MILLION NINE
HUNDRED SIXTY FOUR THOUSAND DOLLARS (\$5,964,000)**

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 \$5,964,000 to finance a portion of the costs of the
Asplund Disinfection Study and Upgrade, Pump Station Upgrades, Iris Way
Sewer Upgrade, and Benson Dawson-Cheechako Sewer Upgrade 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,

1 **WHEREAS**, the terms and conditions of said loans are contained in the
2 Alaska Clean Water Fund Loan Agreements between the Municipality and
3 DEC; and,
4

5 **WHEREAS**, it is hereby found to be in the best interest of the Municipality
6 that terms of said loan offers be approved and that the Loan Agreements be
7 executed on behalf of the Municipality; and,
8

9 **WHEREAS**, at its January 6, 2010 meeting, the AWWU Authority Board
10 supported this resolution to accept funding from said loan agreements for
11 these projects; now, therefore,
12

13 **THE ANCHORAGE ASSEMBLY RESOLVES:**
14

15 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of
16 Five Million Nine Hundred Sixty Four Thousand Dollars (\$5,964,000) are
17 hereby accepted.
18

19 **Section 2. Loan Terms:** The following primary terms of the loans are
20 among those incorporated in the Loan Agreements as hereby specifically
21 approved:
22

23 Principal Amount: Not to exceed \$5,964,000 (subject to individual draws)
24

25 Interest Rate: 1.5% per annum
26

27 Interest Accrual: Accrual of interest will begin one year after the date of the
28 first disbursement to the Municipality
29

30 Term: Twenty years from the date of initiation of operation of the Projects
31

32 Date of First Payment: One year following substantial completion and
33 initiation of operation of the Projects
34

35 Payment Interval: Annual
36

37 Amortization Schedule: Level, fully amortizing
38

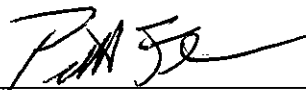
39 Security: A subordinate lien pledge of the Gross Revenues less the
40 Operating Expenses of the System as those terms are defined in Assembly
41 Ordinance, provided that if such monies are not sufficient, repayment of the
42 loans shall be from any legally available funds accruing to or in the

possession of the Municipality; and provided further that repayment of the loans is not a direct obligation of the Municipality and neither the faith and credit nor the taxing power of the Municipality are pledged therefore.

Section 3. Approval and Executing of Loan Agreement: The loan offers are approved and the General Manager and Chief Financial Officer 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, are hereby authorized, empowered and directed to do all such acts and things as may be necessary to carry out and comply with the provisions of the Loan Agreements as executed.

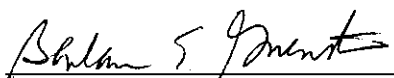
Section 4. Effective Date: This Resolution shall take effect immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 2nd day of February, 2010.



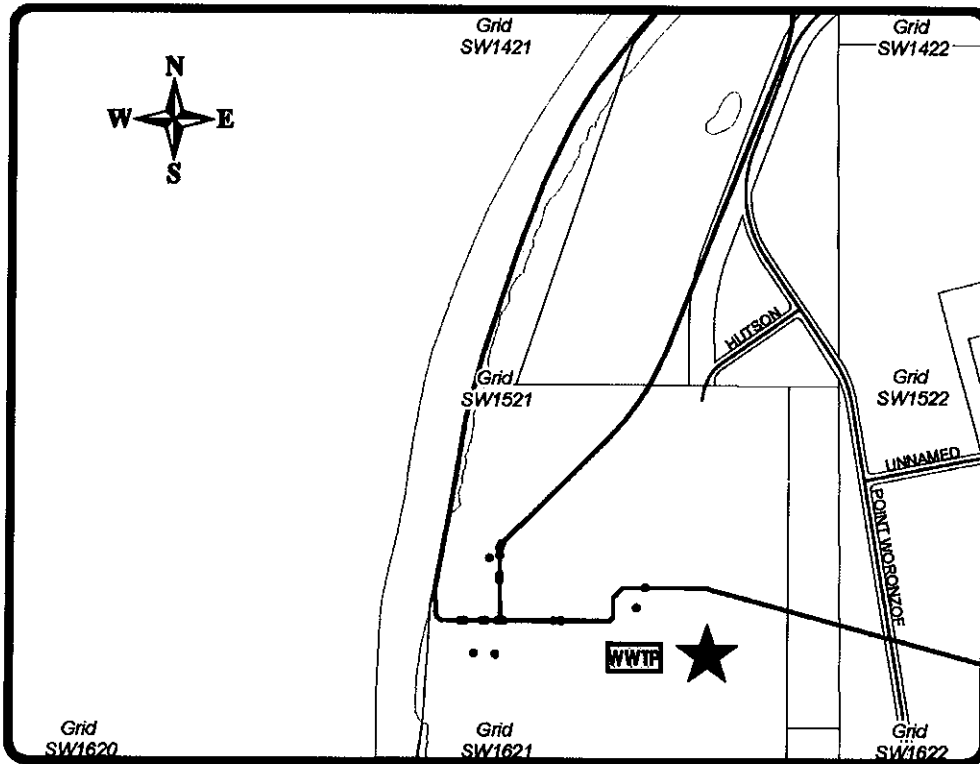
Chair of the Assembly

ATTEST:



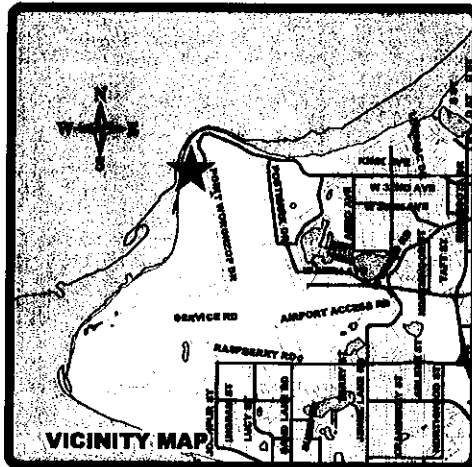
Municipal Clerk

EXHIBIT A



PROJECT MAP GRID SW1521

Map N.T.S.



VICINITY MAP

Legend:

- Existing Sewer Lines
- ★ Approximate location
- Existing Manhole



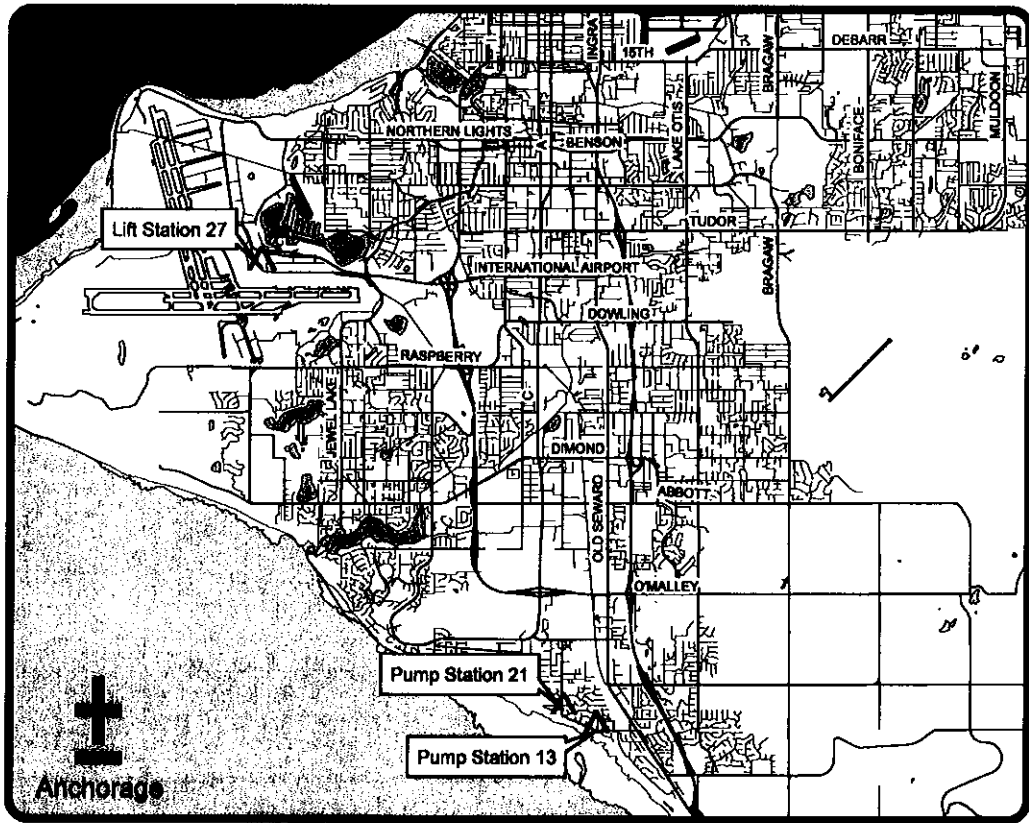
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PM ID

ASPLUND DISINFECTION

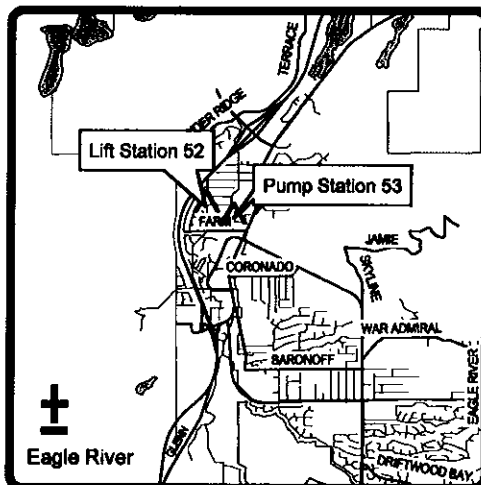
PeopleSoft Project ID 0000004612

Anchorage Water & Wastewater Utility

EXHIBIT B



Maps Not-to-Scale



LEGEND

- Existing Sewer Mains
- ▲ Lift & Pump Stations in Project

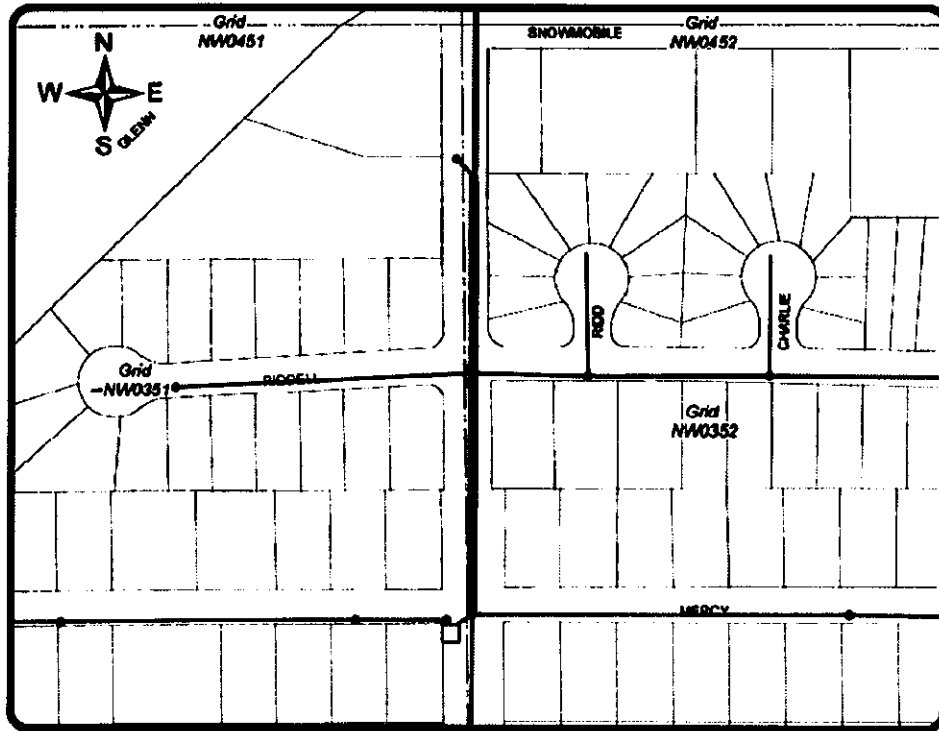


Map Created
by AJU
1-18-07

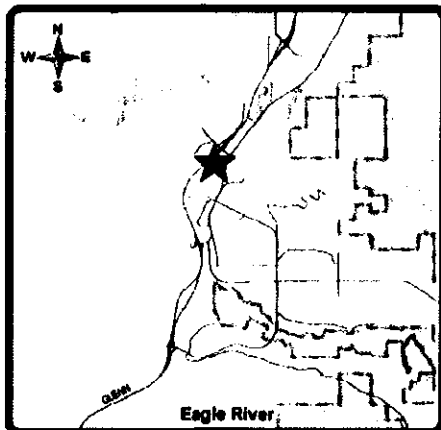
Lift_Stns_13_21_27_52_53_Upgr

PeopleSoft Project ID 0000004604
Anchorage Water & Wastewater Utility

EXHIBIT C



Maps Not-to-Scale



LEGEND

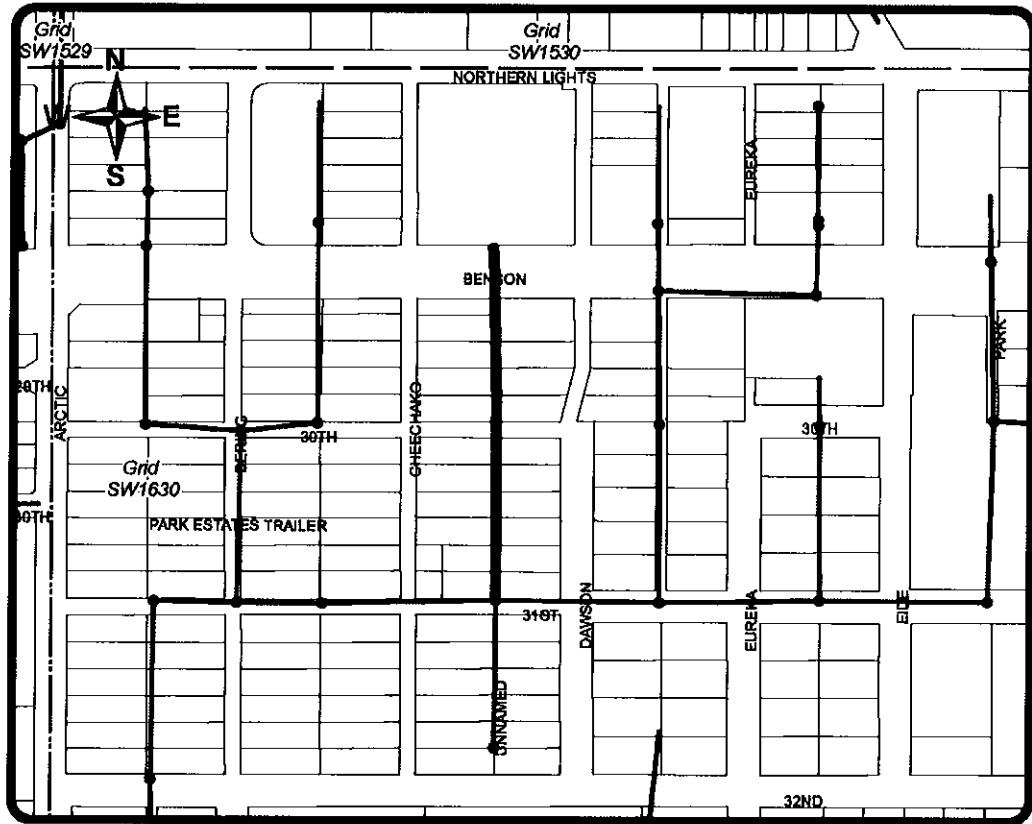
- Existing Sewer Mains
- Existing Manholes
- Project Sewer Mains
- ★ Project Area



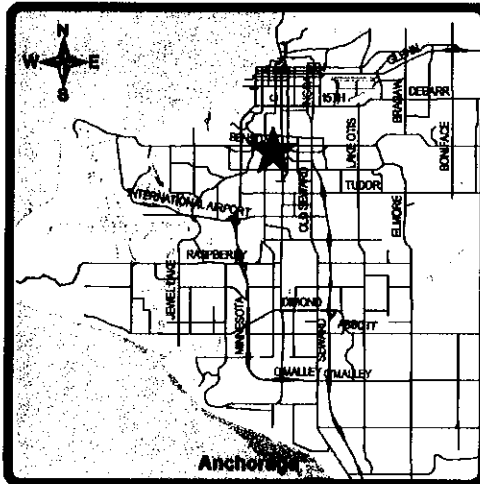
Map Created
by AJU
1/05/2009

Iris Way Swr Upgr
PeopleSoft Project ID 0000004962
Anchorage Water & Wastewater Utility

EXHIBIT D



Maps Not-to-Scale



LEGEND

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



Map Created
by AJU
10/22/2008

Benson_Dawson-Chee_Swr_Upgr

PeopleSoft Project ID 000005455
Anchorage Water & Wastewater Utility

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 45-2010

Meeting Date: January 19, 2010

1 **From: MAYOR**

2
3 **Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE,**
4 **ALASKA, ACCEPTING FOUR STATE OF ALASKA CLEAN**
5 **WATER FUND LOAN AGREEMENTS IN THE AGGREGATE**
6 **AMOUNT OF FIVE MILLION NINE HUNDRED SIXTY FOUR**
7 **THOUSAND DOLLARS (\$5,964,000)**
8

9 The Municipality of Anchorage has received formal Alaska Clean Water
10 Fund loan agreements from the State of Alaska for the purpose of financing
11 a portion of the cost of the Asplund Disinfection Study and Upgrade, Pump
12 Station Upgrades, Iris Way Sewer Upgrade, and Benson Dawson-
13 Cheechako Sewer Upgrade projects.
14

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

20 At its January 6, 2010 meeting, the AWWU Authority Board supported this
21 resolution to accept funding from said loan agreements for these projects.
22

23 **THE ADMINISTRATION CONCURS WITH THE AWWU AUTHORITY**
24 **BOARD RECOMMENDATION AND REQUESTS APPROVAL OF THIS**
25 **RESOLUTION ACCEPTING FOUR STATE OF ALASKA CLEAN WATER**
26 **FUND LOAN AGREEMENTS IN THE AGGREGATE AMOUNT OF FIVE**
27 **MILLION NINE HUNDRED SIXTY FOUR THOUSAND DOLLARS**
28 **(\$5,964,000).**
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

Content ID: 008587**Type:** AR_AllOther - All Other Resolutions

Title: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING FOUR STATE OF ALASKA CLEAN WATER FUND LOAN
AGREEMENTS IN THE AGGREGATE AMOUNT OF FIVE MILLION NINE
HUNDRED SIXTY FOUR THOUSAND DOLLARS (\$5,964,000)

Author: gibsonam**Initiating Dept:** AWWU**Date Prepared:** 1/7/10 4:00 PM**Director Name:** Mark Premo**Assembly Meeting**
Date: 1/19/10**Public Hearing**
Date : 2/2/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/8/10 11:46 AM	Exit	Joy Maglaqui	Public	008587
MuniManager_SubWorkflow	1/8/10 11:46 AM	Approve	Joy Maglaqui	Public	008587
CFO_SubWorkflow	1/8/10 11:23 AM	Approve	Lucinda Mahoney	Public	008587
AWWU_SubWorkflow	1/7/10 4:09 PM	Approve	Mark Premo	Public	008587
AllOtherARWorkflow	1/7/10 4:01 PM	Checkin	Alyssa Gibson	Public	008587