

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Anchorage Water and Wastewater
Utility
For reading: April 20, 2010

CLERK'S OFFICE

APPROVED

5-11-10

ANCHORAGE, ALASKA
AR No. 2010-121

Date:

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN
AGREEMENT FOR THE WONDER PARK SEWER UPGRADE PROJECT
IN THE AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000)**

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 an application for this loan in connection with said project, said application for this loan has been approved, and AWWU has negotiated the terms of this loan from the Fund in the amount of \$200,000 to finance a portion of the costs of the Wonder Park Sewer Upgrade project; 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 this project; authorized the borrowing from the Fund for the purpose of financing a portion of the cost of said project; 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") an application to borrow money from the Fund and to negotiate with DEC the terms of such loan; and,

WHEREAS, the terms and conditions of said loan are contained in the Alaska Clean Water Fund Loan Agreement between the Municipality and DEC; and,

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

5 **WHEREAS**, at its April 7, 2010 meeting, the AWWU Authority Board
6 supported this resolution to accept funding from said loan agreement for
7 these projects; now, therefore,
8

9 **THE ANCHORAGE ASSEMBLY RESOLVES:**

10
11 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of
12 Two Hundred Thousand Dollars (\$200,000) are hereby accepted.
13

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

17 Principal Amount: Not to exceed \$200,000 (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
22 first disbursement to the Municipality
23

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

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

29 Payment Interval: Annual
30

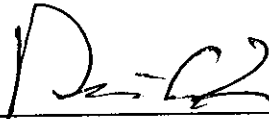
31 Amortization Schedule: Level, fully amortizing
32

33 Security: A subordinate lien pledge of the Gross Revenues less the
34 Operating Expenses of the System as those terms are defined in Assembly
35 Ordinance, provided that if such monies are not sufficient, repayment of the
36 loan shall be from any legally available funds accruing to or in the
37 possession of the Municipality; and provided further that repayment of the
38 loan is not a direct obligation of the Municipality and neither the faith and
39 credit nor the taxing power of the Municipality are pledged therefore.
40

1 **Section 3. Approval and Executing of Loan Agreement:** The loan offer is
2 approved and the General Manager and Chief Financial Officer of AWWU,
3 are hereby authorized, empowered and directed to execute and deliver the
4 Loan Agreement for and on behalf of the Municipality, including necessary
5 counterparts, and, from and after the executing and delivery of the Loan
6 Agreement, are hereby authorized, empowered and directed to do all such
7 acts and things as may be necessary to carry out and comply with the
8 provisions of the Loan Agreement as executed.

9
10 **Section 4. Effective Date:** This Resolution shall take effect immediately
11 upon passage and approval by the Assembly.

12
13 PASSED AND APPROVED by the Anchorage Assembly this 11th day of
14 May, 2010.

15
16
17
18
19
20
21
22
23
24
25
26

Chair of the Assembly

ATTEST:

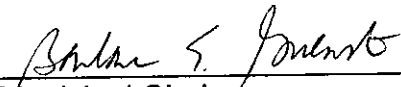
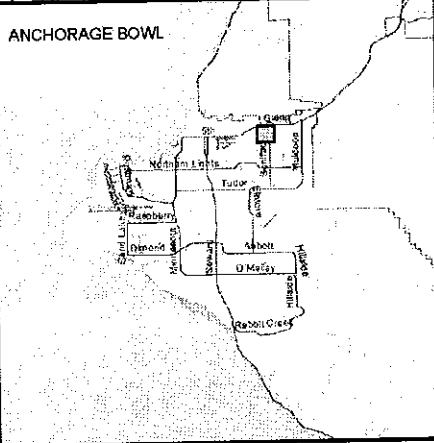
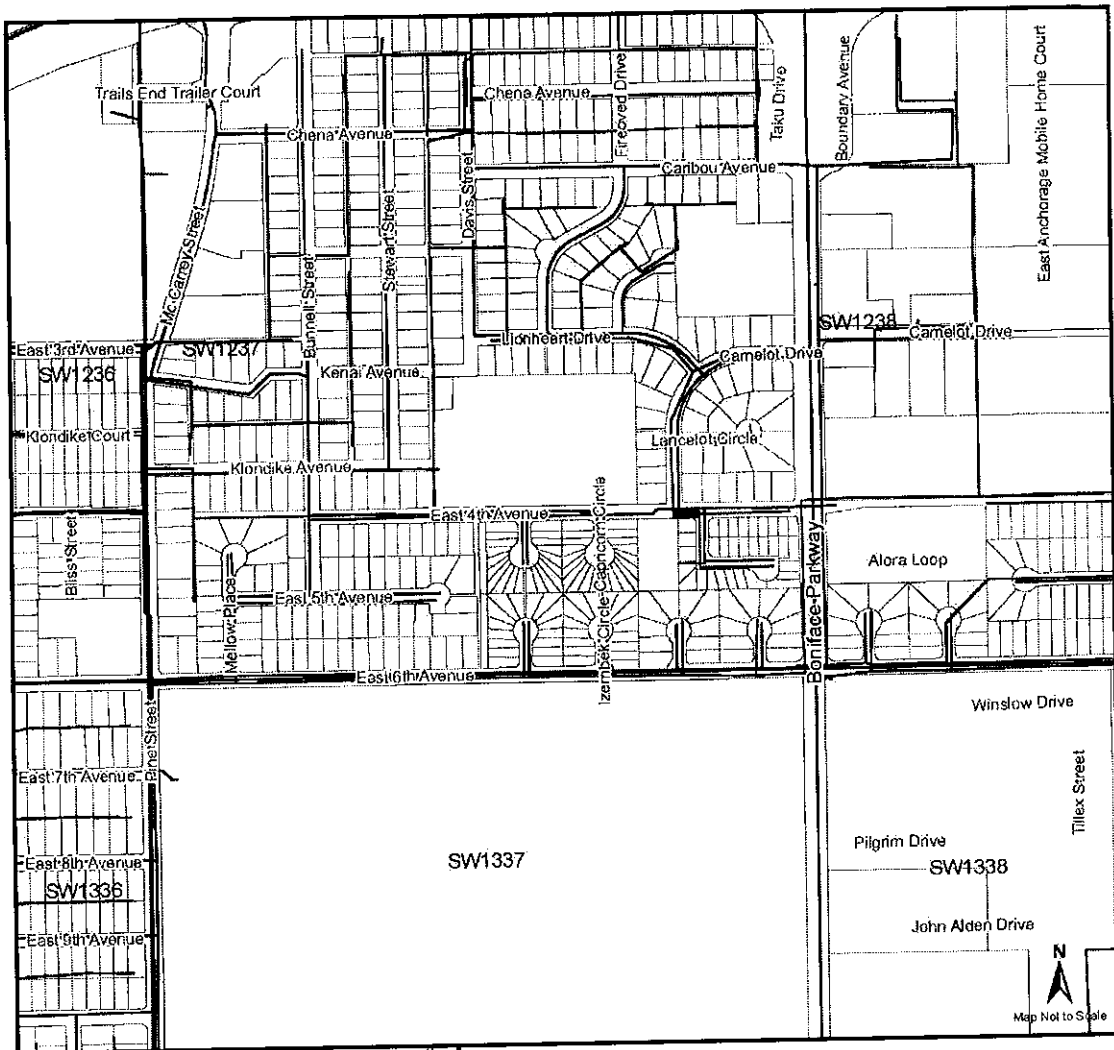



Municipal Clerk

EXHIBIT A











Municipality of Anchorage
Anchorage Water and Wastewater Utility



People Soft Information:
 Name: Wonder_Park_Swr_Upgr
 Number: 0000004972-551

Plan Set Information:
 Name: Wonder Park Water and Sewer Upgrade
 Number: 9310

Proposed Project	Existing Infrastructure
 Water	 AWWU Water Main
 Wastewater	 AWWU Sewer Main
 Water Pipe	
 Wastewater Pipe	

Map Version 1

Created: 03/11/2010

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 240-2010

Meeting Date: April 20, 2010

From: MAYOR

Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN AGREEMENT FOR THE WONDER PARK SEWER UPGRADE PROJECT IN THE AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000)

The Municipality of Anchorage has received a formal Alaska Clean Water Fund loan agreement from the State of Alaska for the purpose of financing a portion of the cost of the Wonder Park Sewer Upgrade project.

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

At its April 7, 2010 meeting, the AWWU Authority Board supported this resolution to accept funding from said loan agreement for this project.

THE ADMINISTRATION CONCURS WITH THE AWWU AUTHORITY BOARD RECOMMENDATION AND REQUESTS APPROVAL OF THIS RESOLUTION ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN AGREEMENT FOR THE WONDER PARK SEWER UPGRADE PROJECT IN THE AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000).

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

Content ID: 008905**Type:** AR_AllOther - All Other ResolutionsA RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN**Title:** AGREEMENT FOR THE WONDER PARK SEWER UPGRADE PROJECT IN
THE AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000)**Author:** maglaquijp**Initiating**
Dept: AWWU**Date**
Prepared: 4/8/10 11:24 AM**Director**
Name: Mark Premo**Assembly**
Meeting 4/20/10**Date:****Public**
Hearing 5/11/10**Date:**

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	4/9/10 12:30 PM	Exit	Joy Maglaqui	Public	008905
MuniManager_SubWorkflow	4/9/10 12:30 PM	Approve	Joy Maglaqui	Public	008905
MuniManager_SubWorkflow	4/9/10 12:28 PM	Checkin	Joy Maglaqui	Public	008905
CFO_SubWorkflow	4/9/10 10:21 AM	Approve	Lucinda Mahoney	Public	008905
AWWU_SubWorkflow	4/8/10 11:31 AM	Approve	Mark Premo	Public	008905
AllOtherARWorkflow	4/8/10 11:25 AM	Checkin	Alyssa Gibson	Public	008905