

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

Prepared by: Solid Waste Services Department

For reading: April 20, 2010

CLERK'S OFFICE

APPROVED

5-11-10

ANCHORAGE, ALASKA

Date: AR No. 2010- 124

1 **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,**
2 **ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN**
3 **AGREEMENT FOR THE ANCHORAGE REGIONAL LANDFILL CELL**
4 **CONSTRUCTION IN THE AMOUNT OF SIX MILLION THIRTY SEVEN**
5 **THOUSAND FIVE HUNDRED DOLLARS (\$6,037,500)**
6

7
8 **WHEREAS**, the State of Alaska (the "State") has, pursuant to Alaska
9 Statutes 46.03.032 and 18 AAC 76.005 et seq. of the Alaska Administrative
10 Code, established the Alaska Clean Water Fund (the "Fund"), a fund which
11 makes use of U.S. Government grants as authorized by the Clean Water
12 Act, as amended by P.L. 100-4; and,
13

14 **WHEREAS**, the Municipality of Anchorage (the "Municipality") is eligible to
15 borrow from the Fund for the purposes of planning, designing, constructing,
16 equipping, modifying, improving and expanding non-point water pollution
17 source controls; and,
18

19 **WHEREAS**, the Department of Solid Waste Services (SWS) has submitted
20 an application for this loan in connection with said project, said application
21 for this loan has been approved, and SWS has negotiated the terms of this
22 loan from the Fund in the amount of \$6,037,500 to finance a portion of the
23 costs of the Cell 10 Landfill Expansion project; and,
24

25 **WHEREAS**, the Assembly of the Municipality, through approved Assembly
26 Ordinance determined it was necessary to proceed to plan, design, develop,
27 construct, equip, or otherwise obtain items of capital improvements in
28 connection with this project; authorized the borrowing from the Fund for the
29 purpose of financing a portion of the cost of said project; and authorized and
30 directed the Director of the Solid Waste Services Department to complete
31 and submit to the State Department of Environmental Conservation ("DEC")
32 an application to borrow money from the Fund and to negotiate with DEC the
33 terms of such loan; and,
34

35 **WHEREAS**, the terms and conditions of said loan are contained in the
36 Alaska Clean Water Fund Loan Agreement between the Municipality and
37 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; now, therefore,

4
5 **THE ANCHORAGE ASSEMBLY RESOLVES:**

6
7 **Section 1. Loan Proceeds:** The subject loan proceeds in the amount of Six
8 Million Thirty Seven Thousand Five Hundred Dollars (\$6,037,500) are
9 hereby accepted.

10
11 **Section 2. Loan Terms:** The following primary terms of the loan are among
12 those incorporated in the Loan Agreement as hereby specifically approved:

13
14 Principal Amount: Not to exceed \$6,037,500 (subject to individual draws)

15
16 Interest Rate: 1.5% per annum

17
18 Interest Accrual: Accrual of interest will begin one year after the date of the
19 first disbursement to the Municipality

20
21 Term: Twenty years from the date of initiation of operation of the Project

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

25
26 Payment Interval: Annual


27
28 Amortization Schedule: Level, fully amortizing

29
30 Security: A subordinate lien pledge of the Gross Revenues less the
31 Operating Expenses of the System as those terms are defined in Assembly
32 Ordinance, provided that if such monies are not sufficient, repayment of the
33 loan shall be from any legally available funds accruing to or in the
34 possession of the Municipality; and provided further that repayment of the
35 loan is not a direct obligation of the Municipality and neither the faith and
36 credit nor the taxing power of the Municipality are pledged therefore.
37

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

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17 
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19 _____
20 Chair of the Assembly

21
22 ATTEST:

23
24 
25 _____
26 Municipal Clerk

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

No. AM 243-2010

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 ANCHORAGE REGIONAL LANDFILL CELL CONSTRUCTION IN THE AMOUNT OF SIX MILLION THIRTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$6,037,500)

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 Anchorage Regional Landfill Cell Construction (designated Cell 8 / Segment 10).

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. The principal of the loan shall be equal to the reimbursements for eligible costs incurred to construct the project up to the authorized loan amount.

THE ADMINISTRATION REQUESTS APPROVAL OF THIS RESOLUTION ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN AGREEMENT FOR THE ANCHORAGE REGIONAL LANDFILL CELL CONSTRUCTION IN THE AMOUNT OF SIX MILLION THIRTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$6,037,500).

Prepared by:	Solid Waste Services Department
Recommended by:	Mark G. Madden, P.E., Director, SWS
Concur:	George J. Vakalis, Municipal Manager
Respectfully submitted:	Daniel A. Sullivan, Mayor

Content ID: 008903**Type:** AR_FundsApprop - Funds Approp ResolutionA RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,
ACCEPTING A STATE OF ALASKA CLEAN WATER FUND LOAN**Title:** AGREEMENT FOR THE ANCHORAGE REGIONAL LANDFILL CELL
CONSTRUCTION IN THE AMOUNT OF SIX MILLION THIRTY SEVEN
THOUSAND FIVE HUNDRED DOLLARS (\$6,037,500)**Author:** maglaquijp**Initiating**
Dept: SWS**Keywords:** CLEAN WATER FUND LOAND**Date** 4/7/10 4:14 PM**Prepared:****Director**
Name: Mark G. Madden**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 12:21 PM	Exit	Joy Maglaqui	Public	008903
MuniManager_SubWorkflow	4/9/10 12:21 PM	Approve	Joy Maglaqui	Public	008903
MuniManager_SubWorkflow	4/9/10 12:20 PM	Checkin	Joy Maglaqui	Public	008903
Finance_SubWorkflow	4/9/10 10:19 AM	Approve	Lucinda Mahoney	Public	008903
OMB_SubWorkflow	4/8/10 9:44 AM	Approve	Cheryl Frasca	Public	008903
SWS_SubWorkflow	4/7/10 5:56 PM	Approve	Mark Madden	Public	008903
FundsAppropWorkflow	4/7/10 4:17 PM	Checkin	Patty Kilson	Public	008903