

Presented By:
Utility Manager

Action Taken:
Yes 5
No 0
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-18-08-04

**A RESOLUTION APPROVING & ACCEPTING A LOAN FROM THE ALASKA
DEPT. OF ENVIRONMENTAL CONSERVATION ALASKA DRINKING WATER FUND
TO PROVIDE LOAN FINANCING FOR IMPROVEMENTS TO
COMMUNITY WATER INFRASTRUCTURE**

WHEREAS, the Nome Joint Utility Board determined application should be submitted to the Alaska Department of Environmental Conservation Drinking Water Fund Program to finance various infrastructure improvements to water and sewer systems, including replacements, extensions and enhancements; and

WHEREAS, the Alaska Department of Environmental Conservation has Alaska Clean Water and Alaska Drinking Water Fund loan programs with terms up to 20 years with no prepayment penalties to provide low interest (1.5%) financing to communities for water and sewer systems and NJUS submitted project funding questionnaires to be included on the Intended Use Plans for these ADEC programs; and

WHEREAS, following acceptance of NJUS' application ADEC is prepared to enter into an Agreement for Project # (pending) - Bering Street Water System Replacement - \$2,433,988, of which \$500,000 is eligible for subsidy (repayment conversion to a grant), and by Resolution 18-05 the Nome Joint Utility Board recommends the loan be accepted; and

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council approves and accepts an ADEC Drinking Water Fund Loan for the construction of water system improvements in the amount of \$2,433,988 with a 20 year payback at 1.5% interest, and authorizes the Utility Manager as Chief Operating Officer of the Utility to execute any and all documents that may be required by the Department to reflect the indebtedness, the terms of its repayment, and any security thereof, including but not limited to an agreement for the loan and a promissory note.

APPROVED and SIGNED this 27th day of August, 2018.


RICHARD BENEVILLE, Mayor

ATTEST:


BRYANT HAMMOND, Clerk



NOME JOINT UTILITY SYSTEM

NOME JOINT UTILITY BOARD

RESOLUTION 18-05

**A RESOLUTION REQUESTING THE NOME COMMON COUNCIL APPROVE & ACCEPT
A LOAN FROM THE ALASKA DEPT. OF ENVIRONMENTAL CONSERVATION ALASKA DRINKING WATER FUND TO
PROVIDE LOAN FINANCING FOR IMPROVEMENTS TO COMMUNITY WATER INFRASTRUCTURE**

- WHEREAS, The Utility Board determined application should be submitted to the Alaska Department of Environmental Conservation Drinking Water Fund Program to finance various infrastructure improvements constructed to the water and sewer systems, including replacements, extensions and enhancements; and,
- WHEREAS, The Alaska Department of Environmental Conservation Alaska Clean Water & Alaska Drinking Water Fund loan programs offers terms up to 20 years with no prepayment penalties to provide low interest (1.5%) financing to communities for water and sewer systems; and
- WHEREAS, NJUS submitted annual questionnaires to be included on the Intended Use Plans (IUP's) for the ADEC Drinking Water Loan program. ADEC published and is soliciting comments on the draft IUP's through June 21, 2018 in advance of finalizing the IUP's for the 2019 State Fiscal Year. The draft IUP allocated loan funding for the Bering Street Water System Replacement - \$2,433,988 with a subsidy to be applied as loan forgiveness of \$500,000; and,
- WHEREAS, The Alaska Department of Transportation & Public Facilities (ADOT&PF) is reconstructing Bering Street (funding in 2019, physical construction in 2020) and has agreed to include the Bering Street Water & Sewer Replacement within the roadway project scope provided NJUS obtains the necessary funding and can match the road project schedule; and
- WHEREAS, To receive a low interest loan through the State Revolving Loan Program for this project and to remain eligible for the offered subsidy, a complete application must be submitted within 2 months of issuance of the finalized IUP.

NOW THEREFORE BE IT RESOLVED that the Nome Joint Utility Board requests the Nome Common Council approve and authorize acceptance of a loan for \$2,433,988 through the ADEC Drinking Water Fund Loan Program for construction of water system improvements with a 20 year payback at 1.5% interest, and authorize the Utility Manager as Chief Operating Officer of the Utility to execute any and all documents that may be required by the Department to reflect the indebtedness, the terms of its repayment, and an security thereof, including but not limited to an agreement for the loan and a promissory note.

SIGNED THIS 19th DAY OF June, 2018 AT NOME, ALASKA.

ATTEST:

David Barron, Secretary
NOME JOINT UTILITY BOARD

Carl Emmons, Chairman
NOME JOINT UTILITY BOARD



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Environmental
Conservation**

DIVISION OF WATER

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July 11, 2018

Kenneth M. Morton
Assistant Manager
Nome Joint Utility System
PO Box 70
Nome, AK 99762

Dear Mr. Morton:

The following projects proposed by the Nome Joint Utility System have been included in the State Fiscal Year 2019(SFY19) Alaska Drinking Water Fund (ADWF) Project Priority List:

Rank	Score	Project Name	Assistance Amount	Subsidy
2	171	Bering Street Water System Replacement	\$2,433,988	\$500,000
33	55	USDA Loan Refinance (Water)	\$882,700	

The complete Project Priority List can be found online at:

https://dec.alaska.gov/water/muniloan/intended_use_plans.htm

In order to receive a loan for this project through the State Revolving Fund Program, the next step is to submit a loan application. Because there is adequate funding for all of the projects on the SFY19 Project Priority List for Alaska Drinking Water Fund projects, an application may be submitted for any project on the list at this time. An application will only be considered complete if it includes the following:

Resolution
Attorney Certification
Disclosure of Lobbying Activities Form
Green Project Assessment Forms (if applicable)
Engineering Cost Estimate
Current User Rates with Enacting Ordinance
Force Account Labor Worksheet (if applicable)

In addition, an environmental review will be completed for the proposed project, and a financial capacity assessment will be completed to determine the applicant's ability to repay the loan.

All applications must be submitted electronically at: <https://dec.alaska.gov/water/oasys.aspx>

Step-by-step instructions for completing the online application can be found at:

https://dec.alaska.gov/water/OASysHelp/attachments/ADWF_LoanApplication_guidance.pdf

Additional information on each of the application requirements can be found at:

<https://dec.alaska.gov/water/muniloan/documentationProcess.htm>

We look forward to working with you to provide these important infrastructure improvements to your system for continued protection of public health. If you have any questions or concerns, please feel free to contact me at (907) 334-2681 or peggy.ulman@alaska.gov.

Sincerely,

A handwritten signature in black ink that reads "Peggy Ulman". The script is cursive and fluid.

Peggy Ulman
Program Coordinator

Alaska Drinking Water Fund - State Fiscal Year (SFY) 2019 Project Priority List

Note: All projects identified in the first quarter of SFY19 are within the fundable limit of the Alaska Drinking Water Fund. Applications will be accepted for any project on the list when the final Intended Use Plan (IUP) is released. Funding will be awarded on a first-come, first-served basis.

(1) Additional subsidy is subject to change depending on the readiness of projects to proceed.

(2) Loan terms will be finalized when a loan agreement is offered. The finance rate will be based on a calculation identified in Alaska Administrative Code (18 AAC 76).

Rank	Score	Public Water System ID (Population)	Applicant	Project Name and Description	Requested Loan Amount	Estimated Additional Subsidy (U)	Disadvantaged Community	Distressed Community	Requested Loan Term (Yrs)	Green Project Amount (Type)	Sustainability Policy	Estimated Construction Start	Quarter Added to IUP
1	185	AK2211229 (575)	Alaska Water Utility	Well Facility and Transmission Main - Construct a well, well house and transmission main to serve the entire Homestead and Meadow Ridge service area from one facility with redundancy to maintain continuous service. Also included is lead detection equipment.	\$693,551	\$346,776	X		20 to 30	\$ 693,551 (Energy)	Fix It First	8/1/18	Q1
2	171	AK2240010 (3,797)	Nome Joint Utility System	Boring Street Water System Replacement - Replace existing 33 year old "Soleforce" direct bury (and joint trench) water distribution piping in coordination with an Alaska Department of Transportation & Public Facilities project	\$2,433,988	\$500,000			5 to 20	\$ 2,433,988 (Energy)	Fix It First	6/1/20	Q1
3	151	AK2110519 (253)	Haines Borough	Small Tracts/Mud Bay/Front AC Pipe Replacement - Replace approximately 3,300 feet of asbestos cement (AC) pipe with C-900 PVC on Small Tracts/Mud Bay roads and Front Street.	\$2,284,590	\$500,000	X		20 to 30	\$ 2,284,590 (Energy)	Fix It First	6/3/19	Q1
4	121	AK2210906 (297,483)	Anchorage AWWU	Mink Avenue Water Rehab - Reconstruct approximately 550 feet of 6-inch cast iron water main.	\$371,000				5 to 20		Fix It First	6/1/18	Q1
5	121	AK2210906 (297,483)	Anchorage AWWU	Thunderbird Grandview Subdivision Water Upgrade - Replace or rehabilitate existing water distribution main in the Thunderbird Grandview subdivision area. Condition assessment of the project pipe and the leak history of the area were used to identify this project. Project was submitted in SFY18 as Primrose E17th E18th Water Rehab due to change in scope of project.	\$1,508,000				5 to 20		Fix It First	6/1/18	Q1
6	115	AK2210906 (297,483)	Anchorage AWWU	Girdwood Well Site Upgrade - Design and construct various improvements at the Girdwood well. These improvements will primarily include upgrades to the backup power system and the replacement of the hypochlorite generation system. During the design phase of this project the condition of other systems at the well site will be evaluated for potential upgrades as part of the project.	\$468,000				5 to 20	\$ 150,000 (Energy)	Fix It First	1/18/19	Q1
7	115	AK2270320 (1,049)	Chevak	Chevak Helical Pile Installation (Water) - Install 2 helical piles per 10 feet of water distribution piping. Approximately 50 supports shall be installed.	\$33,675	\$26,940	X	X	< 5		Fix It First	07/01/2018	Q1
8	110	AK2260367 (516)	New Stuyahok	New Stuyahok Curb Stops Installation - Install approximately 10 curb stops and associated items for service line isolation.	\$35,800	\$28,640	X	X	< 5		Effective Utility Mgmt	07/01/2018	Q1
9	110	AK2340109 (686)	Noorvik	Noorvik Utilidor Replacement (Water) - Replace existing damaged utilidor with new aluminum insulated utilidor. Existing main water piping shall be replaced as needed. Utilidor will be relieved on-site.	\$29,275	\$23,420	X	X	< 5		Fix It First	07/01/2018	Q1
10	110	AK2340183 (705)	Savoonga	Savoonga Helical Pile Installation (Water) - Install 2 helical piles per water main support. Approximately 75 supports shall be installed.	\$37,463	\$29,970	X	X	< 5		Fix It First	07/01/2018	Q1
11	101	AK2210906 (297,483)	Anchorage AWWU	Becharof-Rakof-Chirko Water Main Rehab - Replace approximately 988 feet of 8-inch cast iron water main and 660 feet of 6-inch water main at the end of its useful life. Install interties to reduce the COF of each of these pipes.	\$1,875,000				5 to 20		Fix It First	08/15/2018	Q1
12	101	AK2210906 (297,483)	Anchorage AWWU	Boston Street Water Rehab - Replace approximately 895 feet of 6-inch cast iron water main at the end of its useful life.	\$896,000				5 to 20		Fix It First	06/01/2018	Q1

Alaska Drinking Water Fund - Statewide FY2019-2020 Project Priority List

Note: All projects identified in the first quarter of FY19 are within the fundable limit of the Alaska Drinking Water Fund. Applications will be accepted for any project on the list when the final Intended Use Plan (IUP) is released. Funding will be awarded on a first-come, first-served basis.

(1) Additional subsidy is subject to change depending on the readiness of projects to proceed.

(2) Loan terms will be finalized when a loan agreement is offered. The finance rate will be based on a calculation identified in Alaska Administrative Code (18 AAC 76).

Rank	Score	Public Water System ID (Proposition)	Applicant	Project Name and Description	Estimated Loan Amount	Estimated Additional Subsidy (\$)	Disadvantaged Community	Disadvantaged Community	Responsible Loan Term (Yr)	Estimated Gross Project Amount (Type)	Specialty Loan Policy	Estimated Construction Start	Quarter Added to IUP
13	101	AK2210906 (297,483)	Anchorage AWWU	E 42nd Lake Otis to Pipe Water Rehab - Replace and/or rehabilitate water lines along 42nd Avenue from Lake Otis to Pipe Street.	\$1,650,000				5 to 20		Fix It First	08/14/2018	Q1
14	101	AK2210906 (297,483)	Anchorage AWWU	E 7th Lane to Pine Water Rehab - Replace approximately 572 feet of 6-inch cast iron water main at the end of its useful life.	\$458,000				5 to 20		Fix It First	08/15/2018	Q1
15	101	AK2210906 (297,483)	Anchorage AWWU	E Northern Lights Blvd Augustine Water Upgrade - Rehabilitate or replace approximately 853 feet of 8-inch ductile iron pipe that at the end of its useful life.	\$384,000				5 to 20		Fix It First	01/19/2019	Q1
16	101	AK2210906 (297,483)	Anchorage AWWU	Gruening Reservoir/Booster/Well Station Rehab - Evaluate and identify deficiencies in the Gruening Well, Booster Station and Reservoir. Once fully identified solutions to these deficiencies will be designed and constructed under this project.	\$1,071,000				5 to 20	\$ 500,000 (Energy)	Fix It First	09/24/2018	Q1
17	101	AK2210906 (297,483)	Anchorage AWWU	Inlet Place Water Rehab - Replace approx. 710 feet of 6-inch cast iron water main at the end of its useful life.	\$485,000				5 to 20		Fix It First	06/25/2018	Q1
18	101	AK2210906 (297,483)	Anchorage AWWU	San Antonio-Camilla-San Rob Water Rehab - Replace 2,300 feet of water main, numerous water service lines, and adjacent fire hydrants within the right-of-way that are approaching the end of useful life.	\$1,390,000				5 to 20		Fix It First	06/01/2018	Q1
19	101	AK2210906 (297,483)	Anchorage AWWU	W 43rd Aero Constellation Water Rehab - Replace approximately 1,023 feet of 6-inch cast iron water main at the end of its useful life.	\$818,000				5 to 20		Fix It First	07/18/2018	Q1
20	101	AK2210906 (297,483)	Anchorage AWWU	Tanglewood Place Water Rehab - Replace approximately 600 feet of aging 6-inch cast iron water main.	\$395,000				5 to 20		Fix It First	06/01/2018	Q1
21	101	AK2120193 (1,548)	Craig	Replace 5.5 miles of Raw Water Main - Inspect and replace approximately 5.5 miles of aging ductile iron raw water main that transmits raw water from North Fork Lake to the Craig water treatment plant.	\$2,900,000	\$500,000	X		5 to 20		Fix It First	04/02/2018	Q1
22	101	AK2120193 (1,548)	Craig	Spruce Street Storage Tank - Improve tank, repair leaks, install variable frequency drive pump, pressure switch, and associated controls to operate manually or automated, install automated input pipe with control valve.	\$219,000		X		5 to 20		Fix It First	10/01/2018	Q1
23	91	AK2240757 (2,787)	Seward	Gateway Water Tank - Refurbish the Gateway water storage tank roof.	\$300,000	\$150,000	X		5 to 20	\$ 300,000 (Energy)	Fix It First	09/09/2018	Q1
24	81	AK2210906 (297,483)	Anchorage AWWU	Jewel Lake Intertie - Construct approximately 1400 feet of 16-inch backbone water main and associated interties between 84th and 98th Avenue as part of a road widening project.	\$1,100,000				5 to 20		Fix It First	06/01/2018	Q1
25	76	AK2210906 (297,483)	Anchorage AWWU	486 Zone Debar Intertie - Construct approximately 700 feet of 16-inch water main between the Anchorage Loop Debar PRV Vault and Early View Drive located in East Anchorage including piping modifications within the Debar PRV vault. Address hydraulic deficiencies in the northeast portion of the 486 pressure zone, provide system redundancy, and allow for the Muldoon Booster Station to be abandoned.	\$1,022,000				5 to 20		Fix It First	06/25/2018	Q1

Alaska Drinking Water Fund - State Fiscal Year (SFY) 2019 Project Priority List

Note: All projects identified in the first quarter of SFY19 are within the fundable limit of the Alaska Drinking Water Fund. Applications will be accepted for any project on the list when the final Intended Use Plan (IUP) is released. Funding will be awarded on a first-come, first-served basis.

(1) Additional subsidy is subject to change depending on the readiness of projects to proceed.

(2) Loan terms will be finalized when a loan agreement is offered. The finance rate will be based on a calculation identified in Alaska Administrative Code (18 AAC 76).

Rank	Score	Public Water System ID# (Population)	Applicant	Project Name and Description	Requested Loan Amount	Estimated Additional Subsidy (\$)	Disadvantaged Community	Distressed Community	Requested Loan Term (Yrs)	Green Project Amount (Type)	Sustainability Policy	Estimated Construction Start	Quarter Added to IUP
26	76	AK2210906 (297,483)	Anchorage AWWU	92nd Ave Intersect Zone Conversion - Construct 750 feet of 12-inch water main on Dimond Blvd. between the Old Seward Highway and Spring Street. This project will also convert the 320 pressure zone to the 347 pressure zone.	\$639,000				5 to 20		Effective Utility Mgmt.	09/25/2018	Q1
27	76	AK2210906 (297,483)	Anchorage AWWU	Briarwood Dimond Intersect - Construct approximately 400 feet of water main on Dimond Blvd. between the Old Seward Highway and Spring Street. The project will provide for redundancy for water service to residential and commercial customers between Dimond Boulevard, Lore Road, the Old Seward Hwy and the New Seward Hwy.	\$340,500				5 to 20		Effective Utility Mgmt.	09/24/2018	Q1
28	76	AK2210906 (297,483)	Anchorage AWWU	ER Well Rehab - Norfolk, Gruening, Well #8 - Rehabilitate Norfolk and/or Well #8 in Eagle River.	\$750,000				5 to 20	\$500,000 (Energy)	Fix It First	06/01/2018	Q1
29	76	AK2210906 (297,483)	Anchorage AWWU	Northern Community Zone Conversion Projects - Design and construct a series of projects to combine pressure zones in the northern communities. Pressure zone conversion will provide for operational flexibility and efficiencies within the water distribution system. The pressure zone conversions include: merging the 484 and 520 zones, the 440 and 520 zones, and the 570 and 600 pressure zones.	\$2,486,121				5 to 20		Effective Utility Mgmt.	09/25/2018	Q1
30	75	AK2340418 (399)	Brevig Mission	Water Treatment Plant Heat Recovery - Harness waste heat from the power plant generators and transfer that heat using heat exchangers and a glycol loop to offset fuel usage at the water treatment plant.	\$550,000	\$440,000	X	X	20 to 30	\$550,000 (Energy)	Effective Utility Mgmt.	06/01/2018	Q1
31	71	AK22120193 (1,548)	Craig	Radio Read Water Meter Upgrade - Install new water meters with radio read components.	\$195,000		X		20 to 30	\$289,000 (Water)	Effective Utility Mgmt.	06/25/2018	Q1
32	70	AK2280074 (173)	Holy Cross	Water Treatment Plant Heat Recovery - Design and construct a heat recovery system to serve the water treatment plant.	\$782,756	\$626,205	X	X	20 to 30	\$782,756 (Energy)	Effective Utility Mgmt.	07/01/2018	Q1
33	69	AK2340410 (3,297)	Home Joint Utility System	USDA Loan Refinance (Water) - Refinance three water loans with USDA for facilities that were constructed and are now in operation.	\$582,700				5 to 20	\$582,700 (Energy)	Not Applicable	06/30/2006	
34	51	AK22120193 (1,548)	Craig	New Water Source Study - Review potential new sources of drinking water to supply the water treatment and distribution system. This project will look for other local water sources, including incorporating water from the City's prior water source as a supplement to the existing water source.	\$100,000		X		5 to 20		Effective Utility Mgmt.	09/17/2018	Q1
35	51	AK2260244 (972)	King Cove	Delta Creek USDA Loan Refinance - Refinance a USDA loan for water system infrastructure.	\$1,000,000		X		20 to 30		Not Applicable	05/31/2018	Q1

Alaska Drinking Water Fund - State Fiscal Year (SFY) 2019 Project Priority List

Note: All projects identified in the first quarter of SFY19 are within the fundable limit of the Alaska Drinking Water Fund. Applications will be accepted for any project on the list when the final Intended Use Plan (IUP) is released. Funding will be awarded on a first-come, first-served basis.

(1) Additional subsidy is subject to change depending on the readiness of projects to proceed.

(2) Loan terms will be finalized when a loan agreement is offered. The finance rate will be based on a calculation identified in Alaska Administrative Code (18 AAC 76).

Rank	Score	Public Water System ID# (Population)	Applicant	Project Name and Description	Requested Loan Amount	Estimated Additional Subsidy (1)	Disadvantaged Community	Distressed Community	Requested Loan Term (Yrs) (2)	Green Project Amount (Type)	Sustainability Policy	Estimated Construction Start	Quarter Added to IUP
36	46	AK210906 (297,483)	Anchorage AWWU	Updated Water Master Plan - Update the AWWU Water Master Plan. The water master plan provides a guide for future expansion, modifications, and rehabilitation over a 20-year planning horizon.	\$553,341				5 to 20		Effective Utility Mgmt.	01/19/2019	Q1
37	46	AK210193 (1,548)	Craig	Water Plant Contact Chamber Baffles - Install baffles in the existing 35,000 chlorine contact chamber and the 165,000 gallon water storage tanks to achieve chlorine contact time more efficiently. An additional 30,000 gallon baffled storage tank is also needed.	\$588,200		X		5 to 20		Effective Utility Mgmt.	09/17/2018	Q1
38	41	AK214730 (375)	Potter Creek Water Co.	Reservoir Security Upgrade - Survey and record an easement for exclusive utility use, and construct a security fence around reservoir easement.	\$56,465				20 to 30		Effective Utility Mgmt.	07/20/2018	Q1
TOTAL					\$31,783,425	\$ 3,171,951				\$9,266,585			



NOME JOINT UTILITY SYSTEM

NOME JOINT UTILITY BOARD

RESOLUTION 18-03

**A RESOLUTION REQUESTING CONSIDERATION BY
ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION TO FINANCE, THROUGH THE
ALASKA DRINKING WATER LOAN FUND AND ALASKA CLEAN WATER LOAN FUND PROGRAMS,
COMMUNITY WATER & WASTEWATER INFRASTRUCTURE**

- WHEREAS, Water & Sewer Infrastructure Improvements is the City of Nome's #1 legislative capital priority; and
- WHEREAS, management has recommended and the Utility Board has determined it prudent to submit application to the Alaska Department of Environmental Conservation Alaska Drinking Water & Alaska Clean Water Fund Programs to finance various water and wastewater; and
- WHEREAS, the Alaska Department of Environmental Conservation Alaska Drinking Water Fund & Alaska Clean Water Fund loan programs offer terms up to 20 years with no prepayment penalties to provide low interest (1.5%) financing to communities for water and sewer systems; and
- WHEREAS, the ADEC is soliciting Alaska Drinking Water & Clean Water Loan questionnaires to identify and rank candidate drinking water & wastewater projects for potential funding; and
- WHEREAS, the Alaska Department of Transportation & Public Facilities plans to reconstruct Bering Street in 2020; and
- WHEREAS, replacing the failing water and sewer systems in Bering Street in concert with the road project will save significant public resources.

NOW, THEREFORE BE IT RESOLVED that the Nome Joint Utility Board authorizes management to submit questionnaires to the ADEC Drinking Water Fund and Alaska Clean Water Fund programs to fund construction of water and sewer improvements with a 20 year payback at 1.5% interest.

SIGNED THIS 20th DAY OF February, 2018 AT NOME, ALASKA.

Carl Emmons, Chairman
NOME JOINT UTILITY BOARD

ATTEST:

David Barron, Secretary
NOME JOINT UTILITY BOARD