

Presented By:
Assistant Utility Manager

Action Taken:
Yes 6
No 0
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-19-03-02

**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 AND
TO ALLOW REFINANCING OF PRIOR LOANS MADE BY THE USDA**

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

WHEREAS, the ADEC has Alaska Clean Water (ACWF) and Alaska Drinking Water Fund (ADWF) loan programs with terms up to 20 years with no prepayment penalties to provide low interest financing to communities for water and sewer systems and in 2018 ADEC allocated \$588,480 and \$882,700 to refinance the wastewater and drinking water portions, respectively, of NJUS projects funded with USDA loans; and

WHEREAS, refinancing the drinking-water portions of higher interest rate USDA loans through the ADWF Program is estimated to save more than \$350,000 in finance charges over 20 years, and by Resolution 19-01 the Nome Joint Utility Board recommends the loan be accepted; and


NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council approves and authorizes acceptance of a 20-year term, lower interest rate loan for approximately \$775,000 through the ADEC ADWF Program for refinancing USDA water system related improvements, and authorizes the Utility Manager as Chief Operating Officer of the Utility to execute any and all documents that may be required 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 25th day of March, 2019.



RICHARD BENEVILLE, Mayor

ATTEST:



CHRISTINE PISCOYA, Deputy Clerk



NOME JOINT UTILITY SYSTEM

NOME JOINT UTILITY BOARD

RESOLUTION 19-01

**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 water and sewer systems, including replacements, extensions, enhancements and loan refinancing of related efforts; 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 financing to communities for water and sewer systems; and
- WHEREAS, NJUS submitted questionnaires to be included on the Intended Use Plans (IUP's) for the ADEC Drinking Water Loan program. ADEC completed the scoring process and published the SFY19 Priority List which included funding for USDA Loan Refinance (Water) in the amount of \$882,700, and intends to offer NJUS a loan of up to that amount; and,
- WHEREAS, Refinancing higher interest rate USDA loans (4.25 % - 4.875%) with ADWF (approximately 1.75% at 20 years) funds will save more than \$350,000 in finance charges.

NOW THEREFORE BE IT RESOLVED that the Nome Joint Utility Board requests the Nome Common Council approve and authorize acceptance of a lower interest rate loan for approximately \$775,000 through the ADEC Drinking Water Fund Loan Program for refinancing USDA water system related improvements with a 20 year payback, 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 6th DAY OF March, 2019 AT NOME, ALASKA.



Carl Emmons, Chairman
NOME JOINT UTILITY BOARD

ATTEST:



David Barron, Secretary
NOME JOINT UTILITY BOARD

Presented By:
Utility Manager

Action Taken:
Yes 5
No 0
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-18-08-06

**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
TO ALLOW REFINANCING OF PRIOR LOANS MADE BY THE USDA**

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) - USDA Loan Refinance (Water) - \$882,700, and by Resolution 18-07 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 refinancing of USDA loans which funded water system improvements in the amount of \$882,700 with a up to 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