

Presented by: The Manager
Introduced: 01/12/2015
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2705

A Resolution Authorizing the Manager to Apply for, and Enter Into, a Loan Agreement with the State of Alaska Department of Environmental Conservation, Through its Alaska Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project.

WHEREAS, the City and Borough's water source known as the Salmon Creek Reservoir is a surface water source, required to comply with the U.S. Environmental Protection Agency Surface Water Treatment Rule requirement to provide secondary disinfection of surface water sources; and

WHEREAS, in order to comply with the E.P.A. rules, the City and Borough must have an approved secondary disinfection system in place no later than October 1, 2015; and

WHEREAS, by Resolution 2694, the City and Borough designated the Salmon Creek Filtration project as its highest priority for State of Alaska funding for FY2015; and

WHEREAS, the Salmon Creek Secondary Disinfection Project involves the assessment of levels of disinfection required, facility permitting, and the design and construction of a secondary disinfection process at the Salmon Creek Water Treatment Facility, with a total project cost of \$7,300,000; and

WHEREAS, the adoption of this resolution would authorize the City Manager to submit a loan application and enter into a loan agreement with the State of Alaska Department of Environmental Conservation to provide funding for the Salmon Creek Secondary Disinfection Project in the amount up to \$3,000,000, which would provide the remaining funding necessary to proceed with the project; and

WHEREAS, the terms of the low interest loan under the Alaska Drinking Water Fund loan program are a 20-year repayment term at 1.5 percent interest, and will be re-paid with Water Utility customer revenues generated from the projects; and

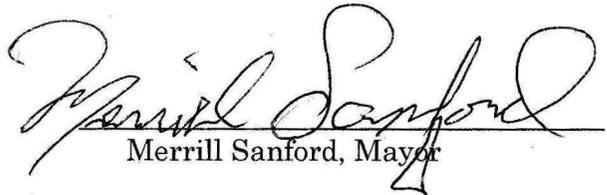
WHEREAS, the Public Works and Facilities Committee, at its regular meeting on December 29, 2014, recommended adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. That the Manager is authorized to submit a loan application to the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund loan program, and enter into an agreement with the State of Alaska for the Salmon Creek Secondary Disinfection Project loan, not to exceed \$3,000,000.

Section 2. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this 12th day of January, 2015.


Merrill Sanford, Mayor

Attest:


Laurie J. Sica, Municipal Clerk