Presented by: The Manager
Presented: 10/26/2026
Drafted by: Law Department

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 4070am

A Resolution Authorizing the Manager to Apply For, and Enter Into, a Loan Agreement of Up to $10,000,000 with the State of Alaska Department of Environmental Conservation State Revolving Fund for the Design and Construction of Glacier Highway Ross Way Salmon Creek Water Main Replacement Project.

WHEREAS, the City and Borough of Juneau (CBJ) Water Utility's water main along Glacier Highway between Ross Way and Salmon Creek is undersized and no longer has the flow capacity sufficient to meet all of Juneau's current and future water distribution scenarios; and

WHEREAS, the water main is forty-five-year-old ductile iron pipe that has experienced corrosion and breaks causing leaks; and

WHEREAS, the replacement/upsizing of the water main will add resiliency and reliability to the existing water distribution system, and will accommodate changes in water production and demand as Juneau grows; and

WHEREAS, the State of Alaska Department of Transportation intends to reconstruct/resurface Glacier Highway between Ross Way and Salmon Creek in 2029, affording CBJ the opportunity to replace its below-ground infrastructure prior to the State's road reconstruction project which will realize a cost saving to CBJ through not having to fully repave the highway surface after utility installation; and

WHEREAS, the adoption of this resolution would authorize the Manager to submit a loan application and enter into a loan agreement with the Alaska Department of Environmental Conservation (ADEC) to provide funding for the following project:

Project: Ross Way Water Main Replacement Project
Funding amount: $10,000,000
Forgiveness: 0%, Below market rate interest loan to be repaid over 20 years; and

WHEREAS, the CBJ seeks to obtain the necessary financial assistance for the project; and

WHEREAS, the ADEC is able to offer funding through the Alaska Drinking Water Fund; and

WHEREAS, the loan of up to $10,000,000 would be repaid over no more than a 20-year term, with a finance rate calculated pursuant to 18 AAC 76.255 (for a Drinking Water loan); and

WHEREAS, in order for the CBJ Engineering and Public Works Department to apply for an additional SRF loan, the Assembly must pass a resolution to (1) authorize the SRF loan application process, and (2) authorize a designated representative of the local government to execute the loan agreement; and

WHEREAS, the Public Works and Facilities Committee, at its regular meeting on August 3, 2026, recommended adoption of the use of SRF funding for design of this project; and

WHEREAS, upon receiving the loan agreement document, Assembly authorization will be required by ordinance to borrow the money.

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

Section 1. The Manager is authorized to submit a loan application to the State of Alaska Department of Environmental Conservation, which will become a binding obligation in accordance with its terms when signed by both parties. The Manager is authorized to execute the loan agreement with the State of Alaska for the Design and Construction of the Ross Way Water Main Replacement Project, not to exceed $10,000,000.

Section 2. The Manager is authorized to carry out the City and Borough's responsibilities under the loan agreement. The Manager is authorized to delegate responsibility to appropriate City and Borough staff to carry out technical, financial, and administrative activities associated with the loan agreement. The City and Borough of Juneau Engineering and Public Works Department is established as the agent for the City and Borough for administration of this project.

Section 3. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this 26 day of October, 2026.

Beth A. Weldon, Mayor

Attest:

Breckan L. Hendricks, Municipal Clerk