

SUBJECT: Request Assembly approval of the loan offer from the Alaska Department of Environmental Conservation, Alaska Clean Water Fund ACWF project no. 561131, authorizing the manager to incur debt in the amount of \$924,000, accept and appropriate the loan proceeds and set the scope of work and budget for the Talkeetna Wastewater Treatment Facility Upgrade Project, project no. 25053.

AGENDA OF: September 4, 2018

ASSEMBLY ACTION:

*Adopted with McKee Opposed  
9-18-18 (B)*

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: *[Signature]*

Route to:	Department/Individual	Initials	Remarks
	Originator	<i>[Signature]</i>	
	Director of Public Works	<i>[Signature]</i>	24 Aug 18
	Finance Director	<i>[Signature]</i>	8/24/18
	Borough Attorney	<i>[Signature]</i>	8/28/18
	Borough Clerk	<i>[Signature]</i>	8/27/18 (B)

ATTACHEMENTS: Fiscal Note: Yes X No       
 Ordinance Serial No. 18-092 (3 pp)  
 Resolution Serial No. 18-064 ( pp)  
 IM 17-202, 2 pp

**SUMMARY STATEMENT:** The Talkeetna Wastewater Treatment Facility is outdated and no longer performs in compliance with Alaska Department of Environmental Conservation (ADEC) Wastewater permit AKG573033. Discharges have exceeded permit parameters for fecal coliform bacteria for the last four years.

The Public Works Department has implemented industry expert and engineer recommended maintenance and repairs with operating funds. These efforts have reduced the amount of noncompliant discharge but have not completely resolved the violations.

Resolution No. 17-081 was adopted by the Assembly on November 21, 2017 authorizing the Manager to apply for loan funds through the Alaska Department of Environmental Conservation (ADEC), Alaska Clean Water Fund, to upgrade the Talkeetna Wastewater Treatment Facility.

The Matanuska-Susitna Borough was notified by the ADEC on August 24, 2018 that \$924,000 the \$924,000.00 loan request was approved for the upgrade to the Talkeetna Wastewater Treatment Facility, Project 25053.

The total loan request and complete project costs to include construction is \$7,700,000. Additional loan funds in the amount of \$6,776,000 are expected under a separate agreement, pending ADEC Environmental Review which is expected to be completed by August 31, 2018.

The attached ordinance and resolution will accept and appropriate the loan funds to allow for the design and construction of an upgrade to the Talkeetna wastewater treatment facility and identify the scope of work and budget for the Talkeetna Wastewater Treatment Facility Upgrade Project as outlined in alternative no. 1 in the November 2017 Preliminary Engineering Report prepared by HDL Engineering.

The loan payments will be made by the Talkeetna Sewer and Water Service Area, fund 293, service fees and sales tax revenues. The first loan payment will be due one year after completion of the project and the final loan payment will be no later than 20 years after the first payment. The interest rate is 1.5 percent.

**RECOMMENDATION OF ADMINISTRATION:** Request Assembly approval of the loan offer from the Alaska Department of Environmental Conservation, Alaska Clean Water Fund ACWF project no. 561131, authorizing the manager to incur debt in the amount of \$924,000.00, accept and appropriate the loan proceeds and set the scope of work and budget for the design of the Talkeetna Wastewater Treatment Facility Upgrade Project, project no. 25053.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: September 4, 2018

**SUBJECT:** Request Assembly approval of the loan offer from the Alaska Department of Environmental Conservation, Alaska Clean Water Fund ACWF project no. 561131, authorizing the manager to incur debt in the amount of \$924,000.00, accept and appropriate the loan proceeds and set the scope of work and budget for the Talkeetna Wastewater Treatment Facility Upgrade Project, project no. 25053.

**ORIGINATOR:** J Ballinger, Public Works

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">YES</span> NO
AMOUNT REQUESTED \$924,000	FUNDING SOURCE <span style="color: blue;">DEC LOAN</span>
FROM ACCOUNT #	PROJECT #
TO ACCOUNT: <span style="color: blue;">415,000.00 3xx .xxx</span>	PROJECT # 25053
VERIFIED BY: <span style="color: blue;">[Signature]</span>	CERTIFIED BY:
DATE: <span style="color: blue;">8/24/18</span>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	<span style="color: blue;">924</span>					
---------	---------------------------------------	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

General Grant Funds						
State/Federal Funds						
Other <span style="color: blue;">Loan</span>	<span style="color: blue;">924</span>					
TOTAL	<span style="color: blue;">924</span>					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY: [Signature] DATE: 8/24/18



SUBJECT: AUTHORIZATION TO SUBMIT A LOAN APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC), CLEAN WATER FUND FOR \$7,700,000 FOR THE DESIGN AND CONSTRUCTION OF A PROJECT UPGRADE TO THE TALKEETNA WASTEWATER TREATMENT FACILITY, PROJECT 25053.

AGENDA OF: November 21, 2017

Assembly Action:

RS 17-081 - Adopted under consent  
agenda w/o objection @ 11/21/17 RM

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator	MB 11/3/17	
	Public Works Director	TJQ	3 Nov 17
	Finance Director	CA	
	Borough Attorney	RS	
	Borough Clerk	JMN	10/9/17

ATTACHMENT(S): Fiscal Note: YES \_\_\_\_\_ NO X  
Resolution Serial No. 17-081(2pp)

**SUMMARY STATEMENT:** The current Talkeetna Wastewater Treatment Facility is outdated and no longer performs at a level that enables us to discharge in compliance with our Alaska Department of Environmental Conservation (ADEC) Wastewater permit AKG573033. We have exceeded permit parameters for fecal coliform the last four years. The Public Works Department has followed industry expert and engineer recommended maintenance and repairs with operating funds. These efforts have reduced the amount of our noncompliance discharge but have not completely addressed the problems and we are still discharging above permit parameters. Therefore we are requesting authorization to apply for a loan from the ADEC, Clean Water Fund for the total estimated cost of this project of \$7,700,000. The repayments for this loan will be made from fund 293, Talkeetna Sewer and Water utility fees and sales tax revenues.

The Public Works Department respectfully request you authorize the manager to submit a loan application to the State of Alaska, Department of Environmental Conservation, Clean Water Fund, in the amount of \$7,700,000 for the design and construction of a project upgrade to the Talkeetna Wastewater Treatment Facility, project 25053.

Adopted: 11/21/17

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 17-081**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY RECOMMENDING THE ASSEMBLY AUTHORIZE A LOAN APPLICATION TO THE ALASKA STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION, ALASKA CLEAN WATER FUND, IN THE AMOUNT \$7,700,000, FOR THE DESIGN AND CONSTRUCTION OF A CAPITAL PROJECT UPGRADE TO THE TALKEETNA WASTEWATER TREATMENT FACILITY, PROJECT NO. 25053.

---

WHEREAS, the current system does not perform at a level that enables us to discharge in compliance with our Alaska State Department of Environmental Conservation Wastewater permit no. AKG573033; and

WHEREAS, the system has exceeded permit parameters for fecal coliform the last four years; and

WHEREAS, we have completed multiple industry expert and engineer recommendations for maintenance and repairs; and

WHEREAS, these efforts have reduced the occasions and severity of our noncompliance but we are still discharging above our permit parameters; and


WHEREAS, the final Preliminary Engineering and Environmental Report on the Talkeetna Wastewater Treatment Facility System has been received; and

WHEREAS, the Alaska State Department of Environmental Conservation requires a resolution from the Assembly authorizing an application for this loan to be submitted with the loan application; and

WHEREAS, an ordinance will be submitted to the Assembly for authorization to incur debt once loan approval has been received from the state of Alaska.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska Susitna Borough Assembly authorizes the Manager to apply for a \$7,700,000 loan to be used for the design and construction of an upgrade to the Talkeetna Wastewater Treatment Facility from the Alaska State Department of Environmental Conservation, Alaska State Clean Water Fund. Payments are expected to be made by the Talkeetna Service Area, fund no. 293, service fee and sales tax revenues.

ADOPTED by the Matanuska-Susitna Borough Assembly this 21 day of November, 2017.

  
for VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Sykes, Beck, McKee, Leonard, Mayfield, Doty, and Kowalke