

NONCODE ORDINANCE

By: Borough Manager
Introduced: 09/04/18
Public Hearing: 09/18/18
Adopted: 09/18/18

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 18-092**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING A LOAN OFFER FROM THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION, CLEAN WATER FUND PROJECT NO. 561131, AUTHORIZING THE MANAGER TO INCUR DEBT IN THE AMOUNT OF \$924,000, AND ACCEPT AND APPROPRIATE THE LOAN PROCEEDS TO THE TALKEETNA WASTEWATER TREATMENT FACILITY PROJECT UPGRADE.

WHEREAS, the intent and rationale of this ordinance are found in the accompanying Informational Memorandum No. 18-140.

BE IT ENACTED:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Authorization to Incur Indebtedness. For the purpose of providing funds required for Talkeetna Wastewater Treatment Facility upgrades, and to pay all costs incidental thereto, the Assembly hereby authorizes indebtedness in the principal amount of \$924,000 and authorizes the Manager to enter into a loan agreement with the state of Alaska.

Section 3. Appropriation Source. The Assembly hereby appropriates the loan proceeds in the amount of \$924,000 from the Alaska State Department of Environmental Conservation, Clean Water Fund, project no. 561131, to the Talkeetna Wastewater Treatment Facility upgrade project, project no. 25053.

Section 4. Designation, Principle Loan, Interest Rates, and other Details of the Loan. The loan shall be designated Talkeetna Wastewater Treatment Facility Upgrades. The principle loan shall not exceed \$924,000. The Talkeetna Sewer and Water Service Area shall pay a finance charge of 1.5 percent annually on each disbursement received from the state of Alaska. Repayment of the loan will be made with either equal annual principle payments plus finance charges or equal annual total payments plus finance charge. The first loan payment will be due one year following project completion. The final loan payment will be no later than 20 years after the first payment. The Borough will separately account for all monies received and will maintain project accounts in accordance with generally accepted governmental accounting principles.

Section 5. Debt Instrument. A loan from the Alaska State Department of Environmental Conservation, Alaska Clean Water Fund Agreement.

Section 6. Execution. This loan shall be executed in the name of the Borough by the signature of the Manager and notarized.

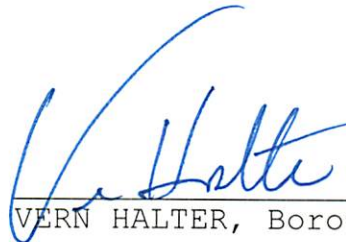
Section 7. Payment of Principle and Interest. The loan shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debt. The payment of principle and interest thereon

shall be made to the state of Alaska. The Talkeetna Sewer and Water Public Utility shall repay the principle amount and the finance charges on a 20-year amortization schedule provided by the state ADEC loan officer and agreed to by the Borough.

Section 8. Security for loan. The manager may only pledge either revenues from the Talkeetna Sewer and Water Public Utility System or funds subject to annual appropriations as security for the loan. Neither the full faith and credit nor the taxing power of the Borough may be pledged to the payment.

Section 9. Effective date. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this 18 day of September, 2018.



VERN HALTER, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

YES: Sykes, Beck, Leonard, Mayfield, and Doty

NO: McKee