

NON-CODE ORDINANCE

Sponsored By: Borough Manager  
Introduced: 08/01/17  
Public Hearing: 08/15/17  
Adopted: 08/15/17

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 17-101**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE LOAN OFFER FROM THE ALASKA STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION, DIVISION OF WATER, MUNICIPAL GRANTS AND LOAN PROGRAM, ALASKA CLEAN WATER FUND, LOAN NO. 561071; AND AUTHORIZE THE MANAGER TO INCUR DEBT IN THE PRINCIPLE AMOUNT OF \$7,000,000, TO ACCEPT AND APPROPRIATE THE LOAN PROCEEDS TO THE SOLID WASTE ENTERPRISE FUND 420, PROJECT NO. 25055, FOR THE MANAGEMENT, DESIGN AND CONSTRUCTION OF CENTRAL LANDFILL, CELL 4 WITH ASSOCIATED INFRASTRUCTURE.

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WHEREAS, the Matanuska-Susitna Borough Solid Waste Division currently operates the Central Landfill under Alaska State Department of Environmental Conservation permit no. SW1A007-20; and

WHEREAS, landfill Cell 3 is reaching the final designed capacity; and

WHEREAS, the Solid Waste Division is currently in the design phase for the construction of Cell 4 in order to support Borough code by providing a place to deposit waste; and

WHEREAS, the Borough was notified on June 22, 2017, by the Alaska State Department of Environmental Conservation, Division of Water, Municipal Grants and Loan Program, Clean Water Fund, that loan funds were approved in the amount not to exceed \$7,000,000 for the management, administration, design, and construction, of Cell 4 at the Central Landfill Facility; and

WHEREAS, the Solid Waste Enterprise Fund will repay the principle amount and the finance charges at a rate of 1.5 percent calculated and provided on a 20-year amortization schedule provided by the Alaska State Department of Environmental Conservation, Division of Water, Municipal Grants and Loan Program, Clean Water Fund, Loan Officer and agreed to by the Borough; and

WHEREAS, repayment begins one year after date of reported project completion by the Borough; and

WHEREAS, the Borough must pass an ordinance authorizing the Manager to enter into a loan agreement with the state of Alaska to incur the debt on behalf of the Borough;

WHEREAS, since the loan is being repaid by the Solid Waste Enterprise Fund, the funds are being appropriated to that fund.

BE IT ENACTED:

Section 1. Classification. This Ordinance is a non-code ordinance.

Section 2. Acceptance and Appropriation Source. For the purpose of providing funds required to pay the costs of design, construction, and related infrastructure in support of Central Landfill lined Cell 4, and to pay all costs incidental thereto, the Assembly hereby authorizes indebtedness in the principle the

amount not to exceed \$7,000,000 and authorizes the Manager to enter into a loan agreement with the state of Alaska.

Section 3.Designation, Principle Loan, Interest Rates, and Other Details of the Loan. The loan shall be designated "Matanuska-Susitna Borough, Alaska Department of Environmental Conservation, Cell 4 design and construction". The principle loan amount shall not exceed the amount of \$7,000,000. The Solid Waste Enterprise Net Asset Fund will pay a finance charge of 1.5 percent on each disbursement received from the state of Alaska. The loan amount will be paid back within 20 years following the completion of Cell 4 design/build. Repayment of the loan will be made with either, equal annual principle payments plus the finance charge, 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 the 20 years after the first payment. The Borough will separately account for all monies received from the Alaska Clean Water Fund and will maintain project accounts in accordance with generally accepted governmental accounting principles.

Debt Instrument. A loan from the Alaska State Department of Environmental Conservation, Division of Water, Municipal Grants and Loan Program Agreement, Clean Water Fund.

Execution. This loan shall be executed in the name of the Borough by the manual signature of the Manager, and notarized by an Alaska State Notary Public.

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 as provided in the Alaskan Clean Water Fund Agreement, Loan No. 561071, Central Landfill Cell 4 project No. 25055. The Solid Waste Enterprise Fund will repay the principle amount and the finance charges at on a 20-year amortization schedule provided by the Alaska State Department of Environmental Conservation, Division of Water, Municipal Grants and Loan Program, Clean Water Fund Loan Officer and agreed to by the Borough.

Section 7. Effective date. This ordinance shall take effect upon adoption.

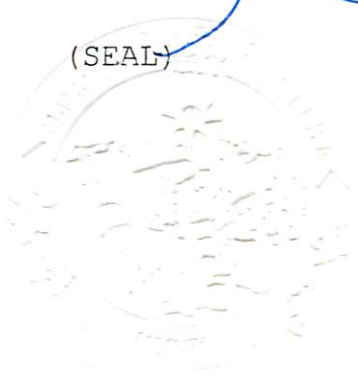
ADOPTED by the Matanuska-Susitna Borough Assembly this  
15 day of August, 2017.

  
VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)



PASSED UNANIMOUSLY: Sykes, McKee, Colligan, Mayfield, Doty, and  
Kowalke

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