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**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Public Works Director

**RESOLUTION 22-018**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA AUTHORIZING THE CITY MANAGER TO APPLY FOR TWO LOANS FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC) UNDER ITS ALASKA DRINKING WATER FUND PROGRAM IN AN AMOUNT NOT TO EXCEED \$473,787 TO FINANCE COST OF WATER IMPROVEMENTS AND ITS CLEAN WATER FUND PROGRAM IN AN AMOUNT NOT TO EXCEED \$514,153 TO FINANCE THE COST OF SEWER IMPROVEMENTS, EACH FOR THE BENEFIT OF THE BUNNELL AVE/CHARLES WAY WATER AND SEWER IMPROVEMENT PROJECTS.

WHEREAS, Bunnell Ave/Charles Way water and sewer improvement projects (together, the "Project") include the following work: design, bid, and construct water sewer distribution and sewer infrastructure improvements located in the City of Homer, Alaska ("City"); and

WHEREAS, The Bunnell Ave/Charles Way Water and Sewer Improvement Special Assessment District ("Bunnell Ave/Charles Way SAD") was created by Resolution 22-017, adopted by the City Council on March 14, 2022; and

WHEREAS, The City seeks to secure necessary financial assistance for purposes of designing, bidding and constructing the Project; and

WHEREAS, The State of Alaska, Department of Environmental Conservation ("ADEC") may have available funding for Project costs through its Alaska Drinking Water Fund Program and Clean Water Fund Program; and

WHEREAS, ADEC has included the Charles Street/Bunnell Avenue water line on the quarterly update of the FY 22 Alaska Drinking Water Fund Priority List, with Principal Forgiveness in the amount of \$225,690, and the Charles Street/Bunnell Ave sewer line on the quarterly update of the FY 22 Alaska Clean Water Fund Priority list; and

WHEREAS, The requested ADEC Drinking Water Fund loan amount would be in the not to exceed principal amount of \$473,787 for the water improvements to be repaid over no more than a 20-year term, with a finance rate calculated pursuant to 18 AAC 76.255 (for an ADEC Drinking Water Fund loan); and



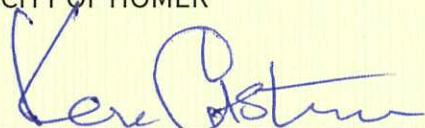
43 WHEREAS, The requested Clean Water Fund loan amount would be in the not to exceed  
44 principal amount of \$514,153 for the sewer improvements to be repaid over no more than a  
45 20-year term, with a finance rate calculated pursuant to 18 AAC 76.080 (for an ADEC Clean  
46 Water Fund loan); and

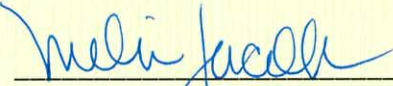
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48 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby  
49 authorizes the City Manager to apply for two loans from the State of Alaska Department of  
50 Environmental Conservation, consisting of (i) a Drinking Water Fund loan in an amount not to  
51 exceed the principal amount of \$473,787 for Project water improvements, and (ii) a Clean Water Fund  
52 loan in an amount not to exceed the principal amount of \$514,153 for Project sewer improvement.  
53 These two loan requests are for the benefit of the Bunnell Ave/Charles Way SAD.

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55 Recitals to this resolution are hereby incorporated into this resolution as if fully set forth  
56 herein.

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58 Terms not otherwise defined in this resolution shall have the meanings set forth in the  
59 recitals to this resolution.

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61 PASSED AND ADOPTED by the Homer City Council this 14<sup>th</sup> day of March, 2022.

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63 CITY OF HOMER  
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67 KEN CASTNER, MAYOR

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69 ATTEST:  
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73 MELISSA JACOBSEN, MMC, CITY CLERK

74  
75 Fiscal Note: N/A

