

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Public Works Director

5 **RESOLUTION 22-030**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8 AUTHORIZING THE CITY MANAGER TO EXECUTE A LOAN
9 AGREEMENT WITH THE STATE OF ALASKA DEPARTMENT OF
10 ENVIRONMENTAL CONSERVATION FOR AN ALASKA DRINKING
11 WATER FUND LOAN IN THE NOT TO EXCEED PRINCIPAL AMOUNT
12 OF \$277,090 FOR THE TASMANIA COURT WATER IMPROVEMENT
13 PROJECT.

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15 WHEREAS, The Homer City Council approved the creation of the Tasmania Court Water
16 Special Assessment District with the adoption of Resolution 20-083; and

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18 WHEREAS, The Homer City Council authorized the City Manager to apply for a State of
19 Alaska Department of Environmental Conservation (ADEC) for an Alaska Drinking Water Fund
20 Loan in the amount of \$277,090 with the adoption of Resolution 21-042 (Loan); and

21 WHEREAS, ADEC approved the City's loan application conditioned upon the execution
22 and delivery of a loan agreement setting forth terms and conditions of the Loan (Loan
23 Agreement) which shall be in substantially the form presented to and made part of the records
24 of this meeting; and

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26 WHEREAS, The Loan, referred to by ADEC as ADWF No. 409331-S, is for an amount not
27 to exceed the principal amount of \$277,090, with a 1.5% finance charge (consisting of an
28 interest rate of 1.0% and fee of 0.5%), and a term of 20 years; and

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30 WHEREAS, The Loan will be repaid with amounts deposited in the Homer Accelerated
31 Water & Sewer Program (HAWSP) Fund (25% of the Loan) and amounts collected from the
32 Tasmania Court Water Special Assessment District (75% of the Loan); the Loan is not a general
33 obligation of the City; and

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35 WHEREAS, The Loan Agreement provides for a \$138,545.00 subsidy in the form of
36 principal forgiveness of the Loan amount.

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38 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska authorizes
39 the City Manager to execute and deliver the Loan Agreement in the form now presented at this
40 meeting, but with such changes, modifications, additions and deletions therein as shall to him
41 be necessary, desirable, or appropriate, the execution thereof to constitute conclusive
42 evidence of the City's approval of the terms and conditions therein stated.

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44 BE IT FURTHER RESOLVED by the City Council of Homer, Alaska that the City Manager,
45 or any other person designated by the City Manager, is hereby authorized to execute and
46 deliver for an on behalf of the City any and all additional documents or other papers and
47 perform all such acts as he may deem necessary or appropriate in order to implement and
48 carry out the intent and purpose of this Resolution.

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50 BE IT FURTHER RESOLVED this Resolution does hereby incorporate by reference as
51 though fully set out herein the Loan Agreement herein above referenced as presented to this
52 meeting. Further, the recitals to this Resolution are hereby made a part of this Resolution,
53 including all defined terms not herein defined.

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55 BE IT FURTHER RESOLVED this Resolution shall become effective immediately upon its
56 passage and approval.

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58 PASSED AND ADOPTED by the Homer City Council on this 11th day of April, 2022.

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CITY OF HOMER

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KEN CASTNER, MAYOR

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66 ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

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72 Fiscal Note: HAWSP \$69,273