

CITY OF HOMER
HOMER, ALASKA

City Manager/

Public Works Director

RESOLUTION 24-062

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AUTHORIZING THE CITY MANAGER TO EXECUTE A LOAN
AGREEMENT WITH THE STATE OF ALASKA DEPARTMENT OF
ENVIRONMENTAL CONSERVATION FOR AN ALASKA DRINKING
WATER FUND LOAN IN THE NOT TO EXCEED PRINCIPLE AMOUNT
OF \$415,670 FOR THE BUNNELL AVE/CHARLES WAY WATER
IMPROVEMENT PROJECT.

WHEREAS, The Homer City Council approved the creation of the Bunnell/Charles Way Water and Sewer Special Assessment District with the adoption of Resolution 21-017(A); and

WHEREAS, The Homer City Council authorized the City Manager to apply to the State of Alaska Department of Environmental Conservation (ADEC) for an Alaska Drinking Water Fund Loan in the amount of \$473,787, with the adoption of Resolution 22-018 (Loan); and

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

WHEREAS, The Loan, referred to by ADEC as ADWF No. 409351-S, is for an amount not to exceed the principal amount of \$415,670, with a 1.7938% finance charge (consisting of an interest rate of 1.2938% and fee of 0.5%), and a term of 20 years; and

WHEREAS, The Loan will be repaid with amounts deposited in the Homer Accelerated Water and Sewer Program (HAWSP) Fund (25% of the Loan) and amounts collected from the Bunnell/Charles Way Water Special Assessment District (75% of the Loan); the Loan is not a general obligation of the City; and

WHEREAS, The Loan Agreement provides for a \$225,690 subsidy in the form of principal forgiveness of the Loan amount.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska authorizes the City Manager to execute and deliver the Loan Agreement in the form now presented at this meeting, but with such changes, modifications, additions and deletions therein as shall to him

be necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of the City's approval of the terms and conditions therein stated.

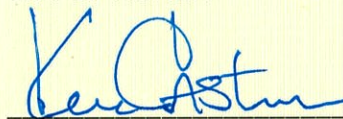
BE IT FURTHER RESOLVED by the City Council of Homer, Alaska that the City Manager, or any other person designated by the City Manager, is hereby authorized to execute and deliver for an on behalf of the City any and all additional documents or other papers and perform all such acts as he may deem necessary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

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

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

PASSED AND ADOPTED by the Homer City Council on this 28th day of May, 2024.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: