

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2014-10

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY TO COMPLETE A QUESTIONNAIRE FOR A LOAN FROM THE ALASKA DRINKING WATER FUND

WHEREAS, the City of Dillingham seeks to obtain the necessary financial assistance to match existing grant funds from the Alaska Department of Environmental Conservation; and

WHEREAS, the State of Alaska Department of Environmental Conservation (DEC) is able to offer funding through the Alaska Clean Water Fund which can be used to match Municipal Matching Grants (MMG); and

WHEREAS, ADEC Municipal Matching Grant 28305 has approximately \$4.5 million approved for drilling new water sources, hydrology studies, updating the water master plan; and

WHEREAS, projects completed since 2003 make an update of the City's Water and Sewer Master plan critical for planning necessary water system improvements:

WHEREAS, this grant terminates December 2014;

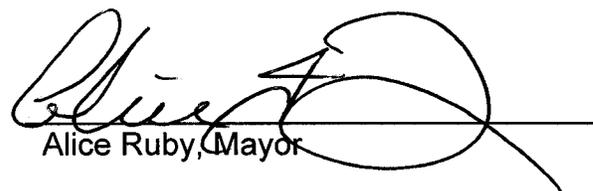
WHEREAS, the City is also under a deadline to complete water improvements in the area of the Alaska Department of Transportation and Public Facilities' Downtown Streets project prior to when construction is slated to occur in 2016;

WHEREAS, the City of Dillingham wishes to complete a questionnaire from the Alaska Drinking Water fund;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council approves and authorizes the City to apply to ADEC for a loan in the amount of \$1,575,000 from the Alaska Clean Water Fund for Water System Improvements;

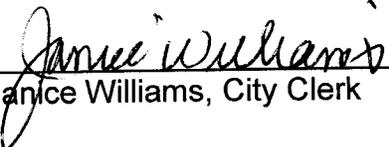
BE IT FURTHER RESOLVED that an additional resolution will be issued to authorize the final acceptance of a loan offer from the Alaska Clean Water Fund.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on February 6, 2014.

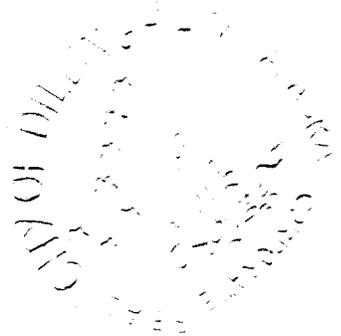

Alice Ruby, Mayor

ATTEST:

[SEAL]



Janice Williams, City Clerk



Subject: A resolution of the Dillingham City Council authorizing the City to complete a questionnaire for a loan from the Alaska Drinking Water Fund

Agenda of: February 6, 2014

Council Action:

Manager: Recommend approval.

City Manager: Rose Loera
Rose Loera

Route To:	Department / Individual	Initials	Remarks
X	Finance / Carol Shade	CS	
X	Planning / Jody Seitz		
X	Public Works / Francisco "Pancho" Garcia	FG	
X	City Clerk / Janice Williams	JW	

Fiscal Note: Yes _____ No _____ Funds Available: Yes _____ No _____

Other Attachment(s): None

Summary Statement.

Staff would like to complete a questionnaire for a loan from the Alaska Drinking Water Fund to determine if the City would be eligible for such a loan. The city has a Municipal Matching Grant # 28305 with the Department of Economic Development (DEC) for \$4.5 million. This grant was acquired in 2008 and will be expiring in December 31, 2014. The grant has a 30% match requirement.

The City would like to apply for this DEC loan which would be very low interest to serve as a match for the above mentioned grant. There is no guarantee that the City would get the loan when filling out the questionnaire.

The City would use the funding to update our Water & Sewer Master Plan and some work around the city on its water lines. It will not be able to spend the entire grant by the deadline. The City will see if it can get an extension on the grant until 2016 when the down town streets project gets underway. The funds would be used to fix some water line deficiencies when the streets are torn up.