

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2019-27

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY OF DILLINGHAM TO ACCEPT A LOAN FROM THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION ALASKA DRINKING WATER FUND FOR IMPROVEMENTS TO COMMUNITY WATER INFRASTRUCTURE.

WHEREAS, City Council authorized the City of Dillingham (the City) to apply for ADEC loans for financial assistance to construct water system improvements in Resolution 2019-06; and

WHEREAS, the State of Alaska, Department of Environmental Conservation (the Department) has offered funding through the Alaska Drinking Water State Revolving Fund; and

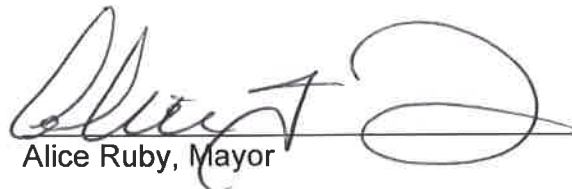
WHEREAS, ADWF Loan No. 283091 will be used toward the City Water System Improvements (Phase I) project;

NOW, THEREFORE, BE IT RESOLVED that:

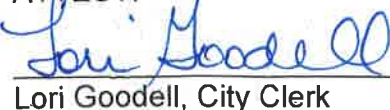
1. The City is authorized to accept a loan from the Alaska Drinking Water Fund for water system improvements in the amount of \$600,000 with a term of 20 years at 1.5% interest, and will adhere to all loan conditions including the following special conditions.
 - a. If, at any time during the life of the loan, the Debt Service Coverage Ratio falls below 1.0, the City will initiate a rate increase to ensure sufficient revenues necessary to meet the repayment obligation.
 - b. Annually, for the life of the loan, the City will provide the Department with audited Financial Statements, as well as the current fiscal year's revenues and expenses profile for the Water Fund.
2. The City Manager is authorized to execute any and all documents that may be required by ADEC to apply for a loan.
3. The resolution shall become effective immediately upon its passage and approval by the Dillingham City Council.

PASSED and ADOPTED by the Dillingham City Council on September 9, 2019.

SEAL:


Alice Ruby, Mayor

ATTEST:


Lori Goodell, City Clerk