

RESOLUTION 4460

**A RESOLUTION APPROVING AN APPLICATION FOR A LOAN TO
MAKE IMPROVEMENTS TO THE WASTEWATER TREATMENT PLANT
TO BE REPAID BY GOLDEN HEART UTILITIES**

WHEREAS, the Peger Road Wastewater Treatment Plant is owned by the City of Fairbanks and leased and operated by Golden Heart Utilities ("GHU"); and

WHEREAS, the State of Alaska Department of Environmental Conservation ("DEC") offers low interest loans for eligible projects that improve water quality; and

WHEREAS, GHU has identified a project, construction of a new sludge dewatering facility, with an estimated cost of \$4,635,600; and

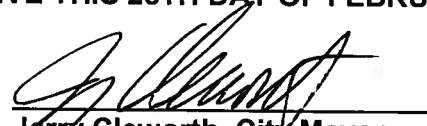
WHEREAS, GHU agrees to assume complete responsibility for the project, including design, construction management, compliance with all grantor requirements, operation of the improvement in accord with law and repayment of all amounts due under the loan. In addition, GHU will reimburse the City for any expense, including payment of the full cost of City staff time; and

WHEREAS, the loan term shall not exceed the term of the wastewater plant lease, which ends in 2027 unless extended; and

WHEREAS, this consent to apply for loan funding does not authorize entering into a loan agreement without further review and approval by the City Council,

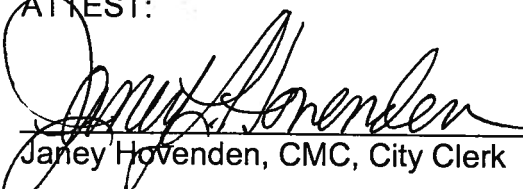
NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes application for a loan for the Sludge Dewatering Facility at the Peger Wastewater Treatment plant in accordance with the terms set forth above.

PASSED AND APPROVED AND EFFECTIVE THIS 28TH DAY OF FEBRUARY 2011.


Jerry Cleworth, City Mayor

AYES: Bratcher, Eberhart, Roberts, Stiver, Matherly, Gatewood
NAYS: None
ABSENT:
APPROVED: February 28, 2011

ATTEST:


Janey Hovenden, CMC, City Clerk

APPROVED AS TO FORM:


Paul J. Ewers, City Attorney