

Introduced By: Mayor Jerry Cleworth  
Finance Committee Review: 09/13/2011  
Date: 09/19/2011

**RESOLUTION NO. 4488**

**A RESOLUTION AUTHORIZING THE CITY OF FAIRBANKS TO ACCEPT A GRANT FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION MUNICIPAL MATCHING GRANT PROGRAM IN THE AMOUNT OF \$975,935 FOR REHABILITATION OF THE CITY-OWNED PEGER ROAD WASTEWATER TREATMENT PLANT CLARIFIER SYSTEM.**

**WHEREAS**, under terms of the 1997 sale of the City utility system, the City retains ownership of the Peger Road wastewater treatment plant (the "plant"); and

**WHEREAS**, Golden Heart Utilities ("GHU") operates the wastewater treatment facility in accordance with the terms of a lease with the City; and

**WHEREAS**, grant funding is available from the State of Alaska Department of Environmental Conservation Municipal Matching Grant Program for rehabilitation of a part of the plant known as the clarifier; and

**WHEREAS**, the total project cost is \$1,626,558 with this grant in the amount of \$975,935 and a subsequent loan in the amount of \$650,623 which will be repaid by GHU; and

**WHEREAS**, rehabilitation of the clarifier will increase operational reliability and efficiency thus reducing the expense to rate payers; and

**WHEREAS**, the City of Fairbanks, by resolution, must formally accept the grant and agree to the terms and conditions of the grant, and adhere to any governing state regulations; and

**WHEREAS**, GHU has agreed to be responsible for any and all project expenses, to operate and maintain the completed project constructed with said grant, and to fully reimburse the City for expenses incurred by this grant, including staff time for accounting, grant administration and the audit process,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS**, that the City Council approves accepting a grant from the State of Alaska Department of Environmental Conservation Municipal Matching Grant in the

amount of \$975,935 for the clarifier rehabilitation. The City Mayor is authorized to enter into an agreement with GHU under which GHU will be responsible for (a) all costs of the project, (b) proper use of grant funds, (c) operation and maintenance of the completed project constructed with said grant in accordance with law and regulation, and (c) reimbursement of the full costs of any City staff time in connection with this grant. This project will also require a subsequent loan approval to be repaid by GHU on terms to be approved by the City Council.

**BE IT FURTHER RESOLVED** that the City Mayor is also authorized to execute those documents necessary to implement the grant funded project and for adjustments to the project within the scope of the ADEC Municipal Matching Grant Program.

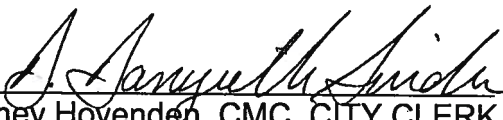
**PASSED AND APPROVED THIS 19th DAY OF September, 2011.**

  
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JERRY CLEWORTH, MAYOR

AYES: PASSED and APPROVED on the consent agenda  
NAYS:  
ABSENT:  
APPROVED: September 19, 2011

ATTEST:

APPROVED AS TO FORM:

*for*   
\_\_\_\_\_  
Janey Hovenden, CMC, CITY CLERK

  
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Paul J. Ewers, CITY ATTORNEY