

**City of Palmer  
Resolution No. 20-019**

**Subject:** Issuance of Utility Revenue Bonds in the Principal Amount Not to Exceed \$8,000,000.00 to Finance Wastewater Utility Improvements, as Required by Federal Consent Decree, and to Submit the Question of the Issuance of such Bonds to the Qualified Voters of the City at the October 6, 2020 City Election

**Agenda of:** July 28, 2020 – Introduction and 1<sup>st</sup> Public Hearing  
August 11, 2020 – 2<sup>nd</sup> Public Hearing

**Council Action:**     **Approved**                       **Amended:** \_\_\_\_\_  
                                  **Defeated**

**Originator Information:**

**Originator:**    Chris Nall, Director of Public Works

**Department Review:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____	Finance	_____	_____
_____	Fire	_____	_____
_____	Police	_____	_____
✓	Public Works	<u><i>Chris Nall</i></u>	<u>07/07/2020</u>

**Approved for Presentation By:**

	Signature:	Remarks:
City Manager	<u><i>[Signature]</i></u>	_____
City Attorney	<u><i>[Signature]</i></u>	_____
City Clerk	<u><i>Nesma L. Alley</i></u>	_____

**Certification of Funds:**

Total amount of funds listed in this legislation:    \$ **8,000,000.00**

This legislation (✓):

- Creates revenue in the amount of:                      \$ 8,000,000.00
- Creates expenditure in the amount of:                      \$ \_\_\_\_\_
- Creates a saving in the amount of:                      \$ \_\_\_\_\_
- Has no fiscal impact

Funds are (✓):

- Budgeted                      Line item(s): \_\_\_\_\_
- Not budgeted

Director of Finance Signature: *[Signature]*

**Attachment(s):**

- Resolution No. 20-019

**Summary Statement/Background:**

In accordance with the City of Palmer's Federal Consent Decree (Civil Action No: 3:16-cv-00204-TMB), the City is required to install and operate two Secondary Clarifiers units at the Palmer Wastewater Treatment Plant.

The clarifiers are to be of sufficient treatment and settling capacity to enable the facility to meet all effluent limits in the its current APDES permit or any subsequent APDES permits that may be issued by EPA or ADEC.

The system shall be configured to allow for the future addition of a third clarifier, if necessary, to support treatment of a future maximum monthly flow of 1.5 Million Gallons a Day.

**Administration's Recommendation:**

Approve Resolution No. 20-019.

**LEGISLATIVE HISTORY**

Introduced by: City Manager Moosey  
1<sup>st</sup> Public Hearing Date: July 28, 2020  
2<sup>nd</sup> Public Hearing: August 11, 2020  
Action: Approved  
Vote: Unanimous

Yes:	No:
Berberich	
Best	
Carrington	
L. Combs	
S. Combs	
DeVries	
Valerius	

CITY OF PALMER, ALASKA

**Resolution No. 20-019**

**A Resolution of the City Council of the City of Palmer, Alaska, Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$8,000,000.00 to Finance Wastewater Utility Improvements, as Required by Federal Consent Decree and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 6, 2020, Regular City Election**

WHEREAS, the City of Palmer, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City, and the City has determined that the matters set forth in this resolution are not prohibited by law or the charter; and

WHEREAS, Section 11.1(a)(2) of the Palmer City Charter authorizes the City to issue revenue bonds which are secured only by the revenue producing public utilities and do not constitute a general obligation or debt of the City, provided that such revenue bonds shall be authorized by the council and ratified by a majority of the qualified voters of the City; and

WHEREAS, it is necessary and in the best interest of the City and its residents that the City authorize the issuance of utility revenue bonds for the purposes described in this Resolution.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALMER, ALASKA, that:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur utility revenue bonded indebtedness in an amount not to exceed Eight Million Dollars (\$8,000,000.00), for the purpose of financing capital improvements to the City's wastewater utility facilities and to pay costs of issuance of such bonds.

Section 2. The City is authorized to borrow the sum of not to exceed Eight Million Dollars (\$8,000,000.00) to finance the capital improvements described in Section 1, and the borrowing shall be evidenced by the issuance of utility revenue bonds of the City. The revenues of the City wastewater utility shall be pledged for payment of the principal of and interest on the bonds. The bonds shall not be a general obligation of the City, and neither the full faith and credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the October 6, 2020, regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. P-X  
UTILITY REVENUE BONDS FOR WASTEWATER UTILITY  
IMPROVEMENTS

Shall the City of Palmer incur utility revenue bonded indebtedness and issue utility revenue bonds in the principal amount not to exceed Eight Million Dollars (\$8,000,000.00) to finance capital improvements to the City's wastewater utility facilities and pay costs of issuance of such bonds?

The bonds shall be paid from wastewater utility revenues. The bonds shall not be a general obligation of the City, and neither the full faith or credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

PROPOSITION NO. P-1      Yes ( )  
  No  ( )

Section 4. Section 2 of this Resolution shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the Regular Election on October 6, 2020. The remaining sections of this Ordinance shall become effective upon passage and approval.

PASSED AND APPROVED by the City Council of the City of Palmer, Alaska this 11<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Edna B. DeVries, Mayor

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Norma I. Alley, MMC, City Clerk