



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 20-1036  
Assembly Meeting Date: 8/11/20

Business Item Description:	Attachments:
Subject: Authorization for Loan for Ad Alt A Phase 3 AC Pipe Replacement 3rd Ave	1. Ordinance 20-07-575 2. Resolution 20-07-875
Originator: Finance Director	
Originating Department: Finance	
Date Submitted: 7/28/20	

**Full Title/Motion:**  
No motion necessary since the Ordinance is already scheduled for its second hearings 8-25-20.

**Administrative Recommendation:**

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ 0	\$ See below	\$ 0	Reduced maintenance costs

Comprehensive Plan Consistency Review:	
Comp Plan Goals/Objectives: Objective 2B, Pages 56-57	Consistent: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Summary Statement:**

On July 14, 2020, the Haines Borough adopted Resolution 20-07-875 allowing a change order for Glacier Construction, Inc. dba Southeast Road Builders to add the additional \$748,471.00 (Ad Alt A) when the additional funds were secured.

This ordinance formally increases the loan from the Alaska Department of Environmental Conservation as previously authorized. This loan is for \$1,000,000 which carries with it a \$500,000 subsidy for Disadvantaged Communities. The remaining 50% of the loan will be repaid over time with user fees.

Referral:	
Referred to:	Referral Date:
Recommendation:	Meeting Date:

Assembly Action:	
Meeting Date(s): 07/28, 8/11 and 8/25/20	Public Hearing Date(s): 8/11/20 and 8/25/20
	Postponed to Date:

**An Ordinance of the Haines Borough authorizing the Borough Manager to amend Loan Number 395251 with the Alaska Department of Environmental Conservation to increase the loan for an amount not to exceed \$1,000,000 to fund the Phase 3 Asbestos-Cement (AC) Pipe Replacement 3rd Avenue project.**

**WHEREAS**, on February 20, 2020, the Borough submitted a questionnaire to DEC requesting funding for the Phase 3 Asbestos-Cement (AC) Pipe Replacement 3rd Avenue project and an application on June 13, 2020; and

**WHEREAS**, pursuant to that application the ADEC has authorized an ADWF loan increase for the Phase 3 Asbestos-Cement (AC) Pipe Replacement 3<sup>rd</sup> Avenue project in an amount of up to \$1,000,000, with up to \$500,000 of the loan amount offered as a subsidy in the form of principal forgiveness (grant) under a federal "disadvantage assistance" program; and

**WHEREAS**, the total loan amount after the increase will be \$3,329,860 (which is all subject to a 50% subsidy in the amount of \$1,664,930); and

**WHEREAS**, Haines Borough Charter Section 3.03 requires assembly authorization by ordinance when borrowing money,

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE HAINES BOROUGH, ALASKA:**

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Purpose. Authorize the Borough Manager to accept a loan from the Alaska Department of Environmental Conservation.

The Haines Borough authorizes the Borough Manager to execute a \$1,000,000 loan amendment to loan number 395251 with the ADEC pursuant to the Borough's loan application to the ADWF for the Phase 3 Asbestos-Cement (AC) Pipe Replacement project, as well as any and all documents that may be required by the ADEC to reflect indebtedness, the terms of repayment, and any security therefore, including an agreement for the loan and promissory note.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 28<sup>th</sup> DAY OF July 2020.

ATTEST:

\_\_\_\_\_  
Janice Hill, Mayor

\_\_\_\_\_  
Aleka Fullerton, CMC, Borough Clerk

Date Introduced: 07/28/20  
Date of First Public Hearing:  
Date of Second Public Hearing:

**A Resolution of the Haines Borough Assembly authorizing the Interim Borough Manager to execute a construction contract with Glacier Construction, dba Southeast Road Builders for the Ad/Alt A of Small Tracts/Mud Bay Rd/3<sup>rd</sup> Avenue AC Pipe Replacement project for Phase 3 AC Pipe Replacement on 3<sup>rd</sup> Avenue for an amount not to exceed \$ 715,888.00.**

**WHEREAS**, on May 12, 2020 the Borough awarded the base bid for Small Tracts/Mud Bay AC Pipe Replacement to Glacier Bay Construction Inc. dba Southeast Road Builders, licensed contractors for an amount not to exceed \$1,379,275.00; and

**WHEREAS**, Ad Alt A for Phase III 3<sup>rd</sup> Avenue portion of the Small Tracts/Mud Bay/3<sup>rd</sup> Ave AC Pipe Replacement project for the amount of \$715,888.00 was withheld pending a third loan from an Alaska Drinking Water Fund Loan for Ad Alt A; and

**WHEREAS**, The Haines Borough on 4/28/20 authorized a loan application for the Alaska Drinking Water Fund for the project entitled Phase 3 AC Pipe Replacement 3<sup>rd</sup> Ave. (Ad Alt A) for the Small Tracts/Mud Bay Rd/3<sup>rd</sup> Ave AC Pipe Replacement project; and

**WHEREAS**, the Haines Borough is ranked number 2 on the 1<sup>st</sup> Qtr SFY 21 Project Priority List which offers a \$1,000,000 loan with a subsidy of \$500,000 for Disadvantaged Communities; and

**WHEREAS**, the engineer's estimate for Ad Alt A was \$776,128; and

**WHEREAS**, the contractor, Glacier Construction, Inc dba Southeast Road Builders has agreed to honor the original Ad Alt A bid of \$715,888.00; and

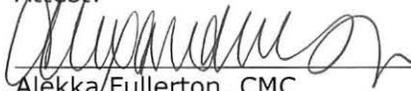
**WHEREAS**, the Borough will fund this project with an additional Alaska Drinking Water Fund loan through the Alaska Department of Environmental Conservation (ADEC)- the existing loan is for \$1,000,000 with a \$500,000 subsidy (50%) and is being repaid with user fees; and

**WHEREAS**, the Director of Public Facilities recommends award of Ad Alt A for Phase III to Glacier Construction dba Southeast Road Builders; and

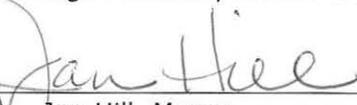
**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly authorizes the Interim Borough Manager to execute a construction contract with Glacier Construction Inc. dba Southeast Road Builders for the Small Tracts/Mud Bay/3<sup>rd</sup> Ave AC Pipe Ad Alt A Bid in an amount not to exceed \$715,888.00.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this 14th day of July, 2020.

Attest:

  
Alekka Fullerton, CMC  
Borough Clerk



  
Jan Hill, Mayor