

**CITY OF CORDOVA, ALASKA
RESOLUTION 10-20-37**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE CITY OF CORDOVA TO ISSUE GENERAL OBLIGATION DEBT,
CONSISTING OF A LOAN FROM THE ALASKA DEPARTMENT OF ENVIRONMENTAL
CONSERVATION, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,210,000 TO
FINANCE THE PURCHASE OF LANDFILL HEAVY EQUIPMENT, AND TO SUBMIT THE
QUESTION OF THE ISSUANCE OF SUCH DEBT TO THE QUALIFIED VOTERS OF THE
CITY AT THE MARCH 2, 2021 REGULAR CITY ELECTION**

WHEREAS, the City of Cordova, 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; and

WHEREAS, under the provisions of City Charter Section 6-1, the City may incur general obligation debt only when authorized by Council and ratified by a majority of the voters of the City voting on the question; and

WHEREAS, State of Alaska Department of Environmental Conservation (“DEC”) has adopted requirements for waste management designed to protect surface water and soil; and

WHEREAS, DEC offers loans at favorable interest rates (currently 1.5%) for up to 20 years to assist communities in complying with DEC environmental regulations; and

WHEREAS, the City’s current heavy equipment is over 20 years old and cannot reliably perform the waste management operations needed to comply with DEC requirements, but the acquisition of a 1012G Loader, 2050M Dozer, CX245D Excavator, and financing of other related costs will permit the City to comply with DEC requirements and prevent the release of hazardous materials into soil and water sources; and

WHEREAS, DEC offered the City a loan of \$1,210,000 with a subsidy in the form of principal forgiveness of up to \$500,000 to permit the City to comply with DEC requirements and the City may obtain this funding through the issuance of general obligation debt, either in the form of bonds or a loan from DEC; and

WHEREAS, replacing and upgrading the City’s heavy equipment will help the Refuse Division improve trash compaction, improve grading and control of surface water runoff, and reduce leeching of contaminants into the soil arising from snow melt leeching; and

WHEREAS, it is necessary and in the best interest of the City and its residents that the City authorize the issuance of general obligation debt for the purposes described in this Resolution,

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur general obligation indebtedness in an amount not to exceed One Million Two Hundred Ten Thousand Dollars (\$1,210,000) for the acquisition of a 1012G Loader, 2050M Dozer, CX245D Excavator, and other related costs.

Section 2. The City is authorized to borrow the sum of not to exceed One Million Two Hundred Ten Thousand Dollars (\$1,210,000) for the reasons described in Section 1, and the borrowing shall be

evidenced by the issuance of general obligation debt of the City. The full faith and credit of the City are pledged for payment of the principal of and interest on the debt.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the March 2, 2021 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. 1
General obligation debt Landfill Equipment Upgrades

May the City of Cordova borrow up to \$1,210,000 (One Million Two Hundred Ten Thousand Dollars) from the State of Alaska Department of Environmental Conservation (DEC), of which \$500,000 qualifies for forgiveness if the full amount is borrowed, in order to replace land fill heavy equipment necessary to comply with DEC requirements that protect Cordova's soil and water quality?

Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other bond propositions, and the following words shall be added as appropriate and next to a space provided for marking the ballot for voting by hand or machine:


Proposition No. 1

Yes
No


Section 5. Sections 1 and 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 March 2, 2021 regular City election. The remaining sections of this Resolution shall become effective upon passage and approval.

PASSED AND APPROVED THIS 21st DAY OF OCTOBER 2020





Clay R. Koplin, Mayor

ATTEST:


Susan Bourgeois, CMC, City Clerk