

**CITY OF CORDOVA, ALASKA  
RESOLUTION 11-21-44**

**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 \$2,000,000 TO  
FINANCE THE REMOVAL AND REPLACEMENT OF SOUTH HARBOR CREOSOTE  
PILINGS WITH STEEL PILINGS AND THE INSTALLATION OF A WASTE HANDLING  
SYSTEM, AND SUBMITTING THE QUESTION OF THE ISSUANCE OF SUCH DEBT TO  
THE QUALIFIED VOTERS OF THE CITY AT THE MARCH 1, 2022 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**, the City has been awarded the Alaska Department of Transportation and Public Facilities Harbor Facility grant in the amount of 5 Million Dollars, which the City will match; and

**WHEREAS**, the City has submitted applications for the Rebuilding American Infrastructure with Sustainability (RAISE) grant for 25 Million Dollars and the Port Infrastructure Deployment (PID) grant for 40 Million Dollars; and

**WHEREAS**, the DEC Clean Water Loan would finance the removal and replacement of the almost 40-year-old creosote pilings with steel pilings and the installation of a waste handling system that would supplement the ADOT State grant award and potential Federal grants awards; and

**WHEREAS**, currently there is no existing waste handling system on the harbor docks, and providing such a system will encourage proper disposal of gray water and sewage; and

**WHEREAS**, replacing the existing creosote pilings with steel pilings, which are structurally superior, will also eliminate creosote environmental concerns, and ensures any rebuilt South Harbor infrastructure will have the maximum possible lifespan; and

**WHEREAS**, DEC has offered the City a loan of 2 Million Dollars to replace 137 creosote pilings in the south harbor and to install a waste handling system this funding; and

**WHEREAS**, this funding will supplement State of Alaska awards and potential federal grant awards to ensure the City possesses sufficient funds to complete all necessary construction to return the South Harbor to a state of good repair; and

**WHEREAS**, DEC offers loans at favorable interest rates (currently 1.5%) for up to 30 years to assist communities in complying with environmental regulations; 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 Two Million Dollars (\$2,000,000) to remove and replace the existing creosote pilings in the harbor, and install a waste handling system.

Section 2. The City is authorized to borrow a sum not to exceed Two Million Dollars (\$2,000,000) 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 1, 2022 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 South Harbor Piling Replacement and**  
**Waste Handling Station Installation**

May the City of Cordova borrow up to \$2,000,000 (Two Million Dollars) from the State of Alaska Department of Environmental Conservation (DEC) for the removal and replacement of South Harbor creosote pilings with steel pilings and to install a waste handling system in the Cordova South Harbor?

Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other propositions, including 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 17<sup>th</sup> DAY OF NOVEMBER 2021.**



*Cathy Sherman*  
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Cathy Sherman, Vice Mayor

ATTEST:

*Susan Bourgeois*  
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Susan Bourgeois, CMC, City Clerk