

HB

480

Introduced by: Leg. Comte.
Date: March 20, 1990
Action: Adopted
Vote: Unanimous

KENAI PENINSULA BOROUGH

RESOLUTION 90-25

SUPPORTING THE 'WRRAP ACT' SOLID WASTE LEGISLATION

WHEREAS, four pieces of legislation have been introduced in the State House addressing solid waste known as the WRRAP Act, Waste Reduction, Recycling Assistance Program; and

WHEREAS, the WRRAP Act includes HB 478, Management of Solid & Hazardous Waste; HB 479, School Recycling Awards Program; HB 480, Loans for solid Waste Management; and HB 481, Procurement Preference for Recycled Products; and

WHEREAS, HB 478 establishes a hierarchy for solid waste management, establishes a "Solid and Hazardous Waste Reduction and Recycling Program" and "Community Solid Waste Management Planning Grants"; HB 479 sets up an awards program for school districts who develop and implement a recycling and waste reduction program; HB 480 includes authorization in the Clean Water Fund statutes for financing solid waste projects; and HB 481 provides for a procurement preference of 10% for recycled products purchased by state agencies; and

WHEREAS, solid waste management is a primary issue being addressed by local governments nationwide; and

WHEREAS, it is important for state governments to establish standards that recognize and allow for individual and geographic differences in the communities, and to assist these local communities in providing environmentally sound methods for dealing with solid waste; and

Kenai Peninsula Borough
Resolution 90-25
Page 1 of 2 Pages

Kenai Borough Position

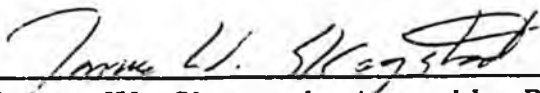
WHEREAS, these bills emphasize the importance of an integrated approach to solid waste management including education and recycling;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

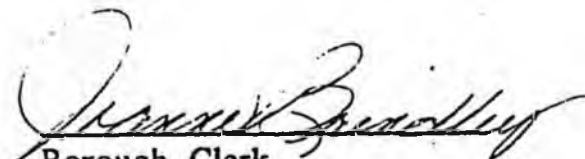
Section 1. That the Kenai Peninsula Borough supports and applauds the efforts of the legislature in addressing this important issue of solid waste management, and urges the passage of the four bills included in the 'WRRAP Act'.


Section 2. That this resolution be sent to all members of the Alaska State Legislature; Governor Steve Cowper; and Dennis Kelso, Commissioner of the Department of Environmental Conservation.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 20th DAY OF March, 1990.


James W. Skogstad, Assembly President

AT TEST:


Borough Clerk

TO: Representative Kay Brown
FROM: Eric F. Myers 
DATE: 4/22/89
SUBJ: DEC Clean Water Fund

In 1972, the federal Clean Water Act established a federal construction grants program for wastewater treatment facilities. Since its inception, Alaska communities have received over \$177 million in grants.

In 1987 the US Congress amended the Clean Water Act to phase out the existing grants program and replace it with state low interest loan programs. Congress also offered capitalization funding for the state loan programs, provided a 20% state match. In response, the Alaska legislature enacted SB 167 to establish the Alaska Clean Water Fund.

When SB 167 was passed, the legislature chose to establish two distinct accounts within the Alaska Clean Water Fund:

- a "federal account" - this account responds to the Congressional amendments to the Clean Water Act and serves as a repository for the federal funds and the required state match - can only be used to finance wastewater treatment projects; and
- a "state account" - funded entirely with state funds - can be used for broader purposes than the federal account, including water supply facilities in addition to wastewater facilities

Assistance under the Alaska Clean Water Fund is only available to municipalities. The types of assistance under the Alaska Clean Water Fund are the same for both the federal account and state account and include:

- loans, and
- refinancing (limited)

Terms of the loans:

- 20 year amortization
- interest keyed to municipal bond index
- community must identify dedicated revenue stream to pay back loan

After the state established the the federal account, the department has received \$10 million from the feds and the state match has been funded. Communities have indicated a demand of \$96 million for financing from the "federal account".

The state account has never been capitalized and presently has a zero balance. Communities have indicated a demand of approximately \$40 million for financing from the "state account".

Representative Leman has proposed capitalizing the "state account" in the amount of \$10 million. A copy of the community requests to DEC for financing through the "state account" is attached showing in excess of \$10 million for Anchorage alone.

4/3/90

HB 480 - LOANS FOR SOLID WASTE MANAGEMENT

Under HB 480, the Alaska Clean Water Fund, established by the legislature in 1987 to finance water and wastewater treatment facilities through low interest loans, would be expanded to finance solid waste facilities.

Communities could borrow funds to develop solid waste facilities (e.g., landfills, incinerators) as well as finance recycling equipment (e.g. balers, glass crushers).

In awarding loans for solid waste management facilities, the Department of Environmental Conservation would give priority to a project that will alleviate severe health or environmental concerns in the community or region proposing the facility.

A loan made under this act must comply with the regulations of the Department and in addition the department may consider:

- * extent of local support
- * extent the applicant's proposal complies with the prioritized order of waste management practices:
 - a) Waste source reduction
 - b) Recycling of waste
 - c) Waste treatment
 - d) Waste disposal

ALASKA CLEAN WATER FUND

- STATE REVOLVING LOAN FUND**

- AVAILABLE TO INCORPORATED MUNICIPALITIES**

- PURPOSE TO HELP THROUGH LOW INTEREST LOANS CONSTRUCTION OF:**
 - * Water Supply Facilities**

 - * Wastewater Treatment Facilities**

HISTORY

- 1972 FEDERAL CLEAN WATER ACT SET UP A FEDERAL CONSRUCTION GRANTS PROGRAM FOR WASTEWATER TREATMENT
- ALASKA COMMUNITIES HAVE RECEIVED OVER \$177 MILLION IN GRANTS
- CURRENT FEDERAL AUTHORIZATION FOR PROGRAM IS \$2.4 BILLION
- * ALASKA'S ANNUAL ALLOTMENT HAS BEEN ABOUT \$14 MILLION
- 1987 CONGRESS AMENDED CLEAN WATER ACT
- * PHASED OUT GRANT PROGRAM
- * REPLACED WITH STATE LOAN PROGRAMS
- * CONGRESS PROVIDED CAPITALI-ZATION MONEY TO START STATE FUNDS
- * FEDERAL GRANT & 20% STATE MATCH

ALASKA'S RESPONSE

- 1987 SB 167 ESTABLISHED THE ALASKA CLEAN WATER FUND
- CAPITALIZATION OF FUND
 - * FEDERAL GRANT
 - * STATE MATCH
 - * STATE APPROPRIATIONS
- ALASKA'S PROGRAM IS BROADER THAN FEDERAL
 - * FEDERAL LIMITED TO WASTEWATER TREATMENT
 - * STATE PROGRAM COVERS WATER SUPPLY FACILITIES IN ADDITION TO WASTEWATER
- FEDERAL/STATE MATCH PROJECTS CARRY MANY MORE ADMINISTRATIVE PROCEDURES AND REQUIREMENTS

PROGRAM SPECIFICS

- **TYPES OF ASSISTANCE**
 - **LOANS**
 - **REFINANCING (LIMITED)**

- **20 YEAR AMORTIZATION PERIOD**

- **INTEREST RATES KEYED TO MUNICIPAL BOND INDEX**
 - **66% OF INDEX**
1992
 - **75% OF INDEX**

- **COMMUNITY MUST IDENTIFY A DEDICATED SOURCE OF REVENUE FOR PAY BACK OF LOAN**

STATUS REPORT

- FEDERAL/STATE MATCH PROGRAM

- * Required 20% state funds appropriated**
- * Program reviewed and approved by EPA**
- * First \$10 million grant agreement signed**
- * 18 AAC 76 regulations adopted**
- * Expect first two loans soon**
- * Completing other in-house activities**
- * Communities indicate \$96 million in needs**

- STATE APPROPRIATION

- * 18 AAC 77 regulations adopted**
- * Zero balance, no funds appropriated**
- * Communities' response indicates interest in over \$40 million for projects**

**FY 90 CAPITAL BUDGET REQUESTS
ALASKA CLEAN WATER FUND LOAN PROGRAM**

<u>ED</u>	<u>Community</u>	<u>Project Name:</u>	<u>Amount</u>	<u>Cumulative</u>
1	Ketchikan	STP Upgrade	200,000	200,000
2	Craig	Water Treatment Plant	200,000	400,000
2	Yakutat	Water & Sewer Project	558,000	958,000
4	Juneau	Back Loop I- Water	2,951,200	3,909,200
4	Juneau	Indian Point - Water	2,034,900	5,944,100
4	Juneau	West Valley Industrial - Water	404,600	6,348,700
4	Juneau	Back Loop II - Water	1,571,500	7,920,200
4	Juneau	Crow Hill Reservoir & Pump Station	3,143,000	11,063,200
4	Juneau	Lena Point - Water	3,094,000	14,157,200
5	Homer	Spit Waterline	660,531	14,817,731
7	Anchorage	Various Water Projects	4,747,000	19,564,731
7	Anchorage	Anchorage Wastewater Projects	5,794,091	25,358,822
16	Matsu Borough	Houston Septage Station	150,000	25,508,822
20	Fairbanks	East Side Water Replacement - Phase	1,000,000	26,508,822
20	Fairbanks	Ht Temp/Wste Heat Recovery	432,500	26,941,322
20	Fairbanks	Septage Receiving Station	210,000	27,151,322
20	Fairbanks	E.M. Jones Sewer & Water Extension	4,500,000	31,651,322
20	Fairbanks	Industrial Prk Water & Sewer	850,000	32,501,322
20	Fairbanks	Infiltration/Inflow Reduction	750,000	33,251,322

TABLE II

**FY 90 CAPITAL BUDGET REQUESTS
ALASKA CLEAN WATER FUND LOAN PROGRAM**

<u>ED</u>	<u>Community</u>	<u>Project Name:</u>	<u>Amount</u>	<u>Cumulative</u>
20	Fairbanks	Ft. Wainwright Interceptor Rehab. Ph II	250,000	33,501,322
20	Fairbanks	International/ Industrial Ave Sewer	625,000	34,126,322
20	Fairbanks	Techite Sewer Pipe Replacement - Ph	2,000,000	36,126,322
20	Fairbanks	Davis Rd. Sewer and Water Extension	800,000	36,926,322
22	North Slope Borough	Pt. Lay Public Facilities Water &	150,000	37,076,322
22	North Slope Borough	Pt. Hope Restroom Upgrade for	150,000	37,226,322
22	North Slope Borough	Wainwright Washeteria Upgrade	375,000	37,601,322
22	North Slope Borough	Kaktovik Public Facilities Water	125,000	37,726,322
23	Nome	Icy View Water & Sewer, Nome STP	1,450,000	39,176,322
26	Bristol Bay Borough	King Salmon Sewer	4,144,000	43,320,322

April 24, 1990

HB 480: An Act authorizing loans for solid waste management projects from the clean water fund.

Sponsor: **BOYER**

The next bill before the committee is HB 480 sponsored by Representative Boyer. HB 480 will authorize loans for solid waste management projects from the Alaska Clean Water Fund and requires the ADEC to give priority to projects which would alleviate severe health or environmental concerns. The bill has a zero fiscal note.

At this time I would like to invite Frank Eagle, representing Representative Boyer, to come to the table and brief the committee on HB 480.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

February 14, 1990

POSITION PAPER

RE: House Bill 480

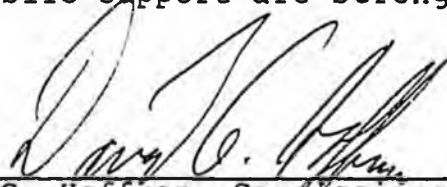
SPONSORS: Representatives Boyer, Brown, Ulmer, Finkelstein, Ellis, Koponen, M.Davis, Kubina, Goll, Menard.

Effects of the Bill

HB 480 authorizes loans for solid waste management projects from the clean water fund and requires the Department of Environmental Conservation (DEC) to take into account, among other factors, the extent to which applicants have considered source reduction and recycling.

Comments

The bill requires applicants to demonstrate that proposed solid waste management facilities are consistent with the principles of integrated solid waste management, with source reduction and recycling occurring before landfilling. DEC is required to consider the extent to which proposed facilities will serve more than one community, thus providing some incentive for the consideration of regional solid waste management facilities where appropriate. The agency is also required to consider the extent of local support for proposed solid waste management facilities, as well as the extent to which the proposed facility would alleviate severe environmental or public health concerns in the community or region. Thus, funds can be directed to areas where need and public support are strongest.



David G. Hoffman, Commissioner

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CSHB 480(C&RA) No. 1
PUBLISH DATE: HOUSE 3/7/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act authorizing loans for
solid waste management
Sponsor: Representative Boyer
Requestor: H. Community & Regional Affairs

Agency Affected: Environ Conservation
BRU: Facility Construction &
Operation
Components: Facility
Construction & Operation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS,CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

The department does not require any additional operating revenues to administer this program. To make the loan program possible will require capitalization by the Legislature. The department has currently identified approximately \$20 million in community solid waste needs.

Prepared by: Gary Hayden
Division: Facility Construction & Operation

Phone: 465-2610
Date: 2/15/90

Approved by Commissioner: A. D. Kyle
Agency: Department of Environmental Conservation

Date: 2/15/90

Distribution (by preparer) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management
Impacted Agency(ies)

