

MINUTES
SPECIAL CITY COUNCIL MEETING
APRIL 27, 2020

The meeting was called to order by Mayor Jacob Merculief at 9:03 AM. Councilmembers present were Richard Warner, Robert Owens, Raymond Melovidov, Daniel Porath, Jason Bourdukofsky. Dimitri Zacharof was absent. A quorum was established. This meeting was held via teleconference.

CALL TO ORDER

Clmbr Melovidov moved to approve the agenda, seconded by Clmbr Warner. Motion carried by voice vote.

AGENDA
APPROVED

Clmbr Warner moved to approve Resolution 20-10, CEIP Loan Forgiveness and \$150,000.00 Payment, seconded by Clmbr Melovidov. In 1987, NOAA extended a Coastal Energy Impact Program (CEIP) loan to the City of St. Paul via a Tripartite Agreement between the city, NOAA, and the Alaska Municipal Bond Bank Authority. This loan was made in the amount of \$6,562,878.00 at an interest rate of 5% to fund a port system capital improvements project in St Paul. As of March 1, 2020, the outstanding balance due and owed on St. Paul's CEIP loan stands at \$6,005,878.00 in principal and \$2,083,581.77 in interest. Historically, St Paul has encountered difficulties in making CEIP loan repayments because offshore oil and gas exploration and year-round fishing industries did not develop as predicted. Recently, NOAA has undertaken an extensive review of the financials of this loan and has concluded that St Paul's CEIP loan will never be able to be paid back in any reasonable time frame. Under the 4th Tripartite Amendment to St Paul's CEIP loan dated December 14, 2000, the city was required to set aside \$150,000 in a reserve fund. These funds were set aside and are still there based on NOAA's review of the city's annual financial statements and the City of St. Paul Quarterly CEIP Infrastructure Repairs Report for City Fund 522.

RESOLUTION 20-
10, CEIP LOAN
FORGIVENESS

A roll call vote was held:

Ayes- Bourdukofsky, Porath, Melovidov, Owens, Warner, Merculief.

No- 0

Motion carried unanimously.

The next meeting will be scheduled at a later date.

NEXT MEETING

Clmbr Melovidov moved to adjourn the meeting, seconded by Clmbr Owens. The meeting was adjourned at 9:45 AM.

ADJOURNMENT

SUBMITTED BY:

APPROVED:

Monique Baker, City Clerk

Date