

**STATE OF ALASKA
BULK FUEL BRIDGE LOAN
PROGRAM**

(AS 29.60.660)

Loan Application

**Division of Community and Regional Affairs
550 W. 7th Avenue, Suite 1770
Anchorage, AK 99501**

**Phone: (907) 269-4564
Fax: (907) 269-4563**

BULK FUEL BRIDGE LOAN PROGRAM INFORMATION

LOAN PURPOSES

Loans may be made to assist communities in purchasing bulk fuel oil or gasoline including the shipping costs of the fuel to the community.

ELIGIBILITY

Loans may be made to an organized municipality or unincorporated village with a population under 2,000, or a private individual or company retailing fuel or electricity in such a community. Determination of eligibility will be evaluated on an individual basis by the State of Alaska Department of Commerce, Community, and Economic Development (DCCED), Division of Community and Regional Affairs (DCRA).

INTEREST RATE

There is no interest charged on this loan.

LOAN TERMS

The loan is payable in nine (9) equal monthly payments and must be repaid during that term unless an alternate payment schedule has been approved by the Division of Community and Regional Affairs. Shorter terms may be required in special circumstances as determined by DCRA.

COLLATERAL

Applicants may be required to secure bulk fuel loans by submitting a resolution adopted by the governing body which assigns payments from the State for funds provided by Community Revenue Sharing, Payment in Lieu of Taxes (PILT), or other programs to the Bulk Fuel Bridge Loan Program.

LOAN APPROVAL

No loan will be granted without approval of the State of Alaska Division of Community and Regional Affairs.

FEES

1. There are no fees for this application.

Please submit all loan applications to:

**Division of Community and Regional Affairs
Bulk Fuel Bridge Loan Program
C/O: John Nickels
550 W. 7th Ave., Suite 1770
Anchorage, Alaska 99501
Telephone Number: (907) 269-4564**

BULK FUEL BRIDGE LOAN PROGRAM INFORMATION

Use this checklist to ensure that all required information is included in your loan packet. Incomplete applications will NOT be accepted. Retain a copy of the application for your records.

- _____ 1. **Application for Bulk Fuel Loan:** Make sure that the form is completed, signed and NOTARIZED, where applicable. (pages 4 - 12). Please make sure ALL questions are answered completely. Faxed copies accepted for evaluation only. Original applications must be returned to the Division of Community and Regional Affairs.
- _____ 2. **Letter of Intent.** (pages 6-7). Make sure that you describe in detail the type of fuel supplies the loan will be used for and the volumes you are requesting. You must also describe WHY a loan is needed and describe any contribution you can make towards purchasing sufficient fuel to get you through until the next barge delivery.
- _____ 3. **Loan Agreement.** (pages 8-9). Must be completed, signed.
- _____ 4. **Promissory Note.** (page 10). Must be filled out completely by the Borrower. The borrower is to complete ONLY the areas that state, "to be completed by the Undersigned". All areas that state "to be completed by DCRA" are NOT to be filled out by the BORROWER. These spaces will be completed by the Division of Community and Regional Affairs at closing.
- _____ 5. **Waiver of Sovereign Immunity Resolution** (page 11). (Required only if the applicant is a Traditional or IRA Village Council).
- _____ 6. **Borrowing Resolution:** Approved by the applicant's governing body. (page 12)
- _____ 7. **Written Endorsement:** Required for an applicant that is a PRIVATE INDIVIDUAL OR CORPORATION. This endorsement letter must be signed by the recognized GOVERNING BODY of the community for which the fuel supplies will be used. The endorsement letter must be re-typed on the COMMUNITY'S letterhead. (A sample will be attached only if applicable).
- _____ 8. **Financial Statements:** ALL applicants are REQUIRED to submit financial information. This information is VERY important for use in determining the applicant's ability to repay the loan. The financial statement MUST be one of the following:
 - a. Income Statement showing applicant's revenues and expenditures for most *recent* fiscal year (information provided may *not* be more than one year old).
 - b. Balance Sheet showing applicant's assets and liabilities at the end of most *recent* fiscal year.
 - c. If an income statement and balance sheet are not available, a copy of the applicant's most *recent* complete Federal Income Tax return may substitute.
 - d. If the applicant has no financial statements, nor Federal Income Tax return, an explanation of how the applicant manages its finances must be included.
 - e. Payroll tax returns, check registers, and bank statements are NOT acceptable substitutes.

APPLICATION FOR BULK FUEL BRIDGE LOAN PROGRAM

Name of Applicant		Current Date
Mailing Address: Street/P.O. Box		Population:
City/State	Zip Code	Telephone Number

Contact Person: Name (Last, First, M.I.)	Title:	Contact Telephone Number Phone: Fax:
Mailing Address: Street/P.O. Box		The contact person is that individual who is authorized to be responsible for the loan on behalf of the community.
City /State	Zip Code	

I/We hereby apply for a loan not to exceed \$ _____

BULK FUEL INFORMATION

Type of Fuel Needed	Est. Delivery Date	Quantity	Cost Per Gallon	Transportation	Total
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total					

Total Capacity of Tanks used by applicant:		
Owner _____	Owner _____	Owner _____
Heating Oil _____ Gal.	Heating Oil _____ Gal.	Heating Oil _____ Gal.
Gasoline _____ Gal.	Gasoline _____ Gal.	Gasoline _____ Gal.
Condition of Tanks: Good _____ Fair _____ Poor _____	Condition of Tanks: Good _____ Fair _____ Poor _____	Condition of Tanks: Good _____ Fair _____ Poor _____

Fuel Supply Information:	Heating Oil	Gasoline
When do you usually receive fuel deliveries?	_____	_____
How is the fuel delivered?	_____	_____

Name of Fuel Supplier	Contact Name:
	Supplier's Telephone Number
Mailing Address: Street/P.O. Box	
City/State	Zip

APPLICATION FOR BULK BRIDGE LOAN PROGRAM, Continued

How have you financed your bulk fuel purchases for the past three years?

Have you had any previous Bulk Fuel Loans from the State of Alaska? Yes No			
If yes, complete the following section:			
Date	Loan in Name of	Amount	Current Balance

I certify under penalty of perjury that all of the information contained in this application and any attachments to it is true, accurate and complete. I am aware that the maximum penalty for perjury, a Class B felony under AS 11.56.200(c), is a fine of up to \$50,000 (AS 12.55.035(b)(2)) and imprisonment for up to 10 years (AS 12.55.125(d)).

I agree that if any information contained in this application and attachments is false, inaccurate or incomplete, the Division of Community and Regional Affairs will not accept the application as complete and may deny approval of the application. I also agree that if I receive a loan based on this application and attachments and any information contained in this application and attachments is later determined to be false, inaccurate or incomplete, then the loan will be canceled and I will be immediately liable to repay the total I owe.

Upon providing notice that the loan has been approved, I authorize the Division of Community and Regional Affairs to contact our fuel vendor and authorize our fuel vendor to disseminate information to DCRA, including but not limited to, amount and terms of any monies owing, information on financing of any portion of current fuel order contemplated under this application, and additionally authorize our fuel vendor to deliver to DCRA, a fully executed copy of any written agreements, including all attachments and/or exhibits, that may exist between applicant and fuel vendor.

_____ (Date)

_____ (Authorized Signature)

_____ (Title)

**BULK FUEL BRIDGE LOAN PROGRAM
LETTER OF INTENT**

Applicant's Name _____

I. USE OF LOAN FUNDS: (Check appropriate box and fill in loan amount)

Purchase Bulk Fuel \$ _____

Fuel Transportation \$ _____

Other (explain) \$ _____

Total Loan Amount \$ _____

II. WHERE/HOW WILL FUEL BE USED; WHY DOES YOUR COMMUNITY NEED A LOAN TO PURCHASE IT? Check all boxes that apply.

Fuel will be used for: Electric Power Generator (for sales to public)

Public Heavy Equipment

Heating Fuel (Public Facility Use)

Heating Fuel (Residential/Business Use)

Motor Vehicles (Public Use)

Motor Vehicles (Residents/Businesses)

Other (Describe): _____

WHY IS A LOAN REQUIRED?

III. WHAT REVENUE SOURCE WILL YOU USE TO REPAY THIS LOAN, IF APPROVED?

**BULK FUEL BRIDGE LOAN PROGRAM
LETTER OF INTENT**

Applicant's Name: _____

IV. RESALE PRICE OF FUEL

Do you provide fuel directly to local residents and businesses? Yes _____ No _____
If yes, **do you charge users** for fuel you provide ? Yes _____ No _____

DIESEL FUEL:

Costs included in per gallon charge:

- Fuel cost (from fuel vendor): \$ _____/gallon (fuel cost including taxes & delivery to community)
- Delivery to community _____/gallon (if paid separately)
- Local delivery charge: _____/gallon (pumping charge)
- Other Costs (if any):
_____/gallon
_____/gallon
_____/gallon

TOTAL PRICE CHARGED FOR DIESEL: \$ _____/gallon

MOTOR FUEL: (Non-Aviation):

Costs included in per gallon charge:

- Fuel Supplier's Charge: \$ _____/gallon (fuel cost including taxes & delivery to community)
- Delivery to community _____/gallon (if paid separately)
- Local delivery charge: _____/gallon (pumping charge)
- Other Costs (if any):
_____/gallon
_____/gallon
_____/gallon

TOTAL PRICE CHARGED FOR MOTOR FUEL \$ _____/gallon

V. Applicant's SIGNATURE: _____ **DATE:** _____
(Authorized Signature)

Name (printed/typed): _____ **Title:** _____

**BULK FUEL BRIDGE LOAN PROGRAM
AGREEMENT
(AS 29.60.660)**

This agreement is made this _____ day of _____, 20 ____, By and between the State of Alaska ("Lender") and _____ ("Borrower").

1. The Lender, subject to the terms and conditions set forth in this agreement, agrees to loan an amount of money not to exceed \$ _____ to Borrower to enable it to purchase an emergency or annual fuel supply, including necessary transportation costs, for use in the community of _____.
2. Borrower agrees to use the proceeds of the loan only for purchasing emergency or annual fuel supply and paying for the necessary transportation costs of the fuel to the community of _____. Borrower further agrees that it will obtain approval for the transportation costs from Lender before incurring them and before using the proceeds of the loan to pay for them.
3. Borrower agrees that it will not use the proceeds of the loan to purchase any product except heating fuel and gasoline (including cost of transportation).
4. Borrower further agrees that, before the Lender loans money to the borrower under this Agreement:
 - (a) The Borrower will provide information satisfactory in content and quality to the Lender on the following:
 - (1) the reason for the fuel shortage or need for assistance; and
 - (2) the types of fuel and the quantity of fuel required as determined from a survey of the community.
 - (b) The Borrower will submit to the Lender information about the shortage of fuel, the bulk storage available for fuel, the resale cost of the fuel in the community, and other fuel-related information requested by the Lender.
 - (c) The Borrower will submit to the Lender a resolution of the governing body of the community, in the form attached, authorizing the Borrower to enter into and execute this Agreement, a promissory note evidencing the loan, and such other documents as the Lender may require. The resolution will authorize the Borrower to borrow from the Lender an amount not to exceed \$ _____ and will further authorize completion of the note as described in paragraph 5, below.
5. The Borrower hereby authorizes the Lender to fill in the blanks in the attached Promissory Note with:
 - (1) the amount of the principal sum once that amount is determined, but not to exceed \$ _____, Lender may modify the terms of the Promissory Note, without the written consent of the Borrower, to accommodate additional advances under the agreed upon amount, however such advances will not exceed the maximum amount as stated in the Loan Agreement and Promissory Note. The Lender will send to the Borrower, by certified mail with return receipt requested, a copy of the completed Promissory Note and Loan Agreement.
6. The Borrower agrees to secure this loan with its fuel revenues and other legally available monies.
7. The Borrower agrees that if any payment is more than 15 days late, the Lender is authorized to have the State of Alaska or the Borough in which the borrower is located pay any monies due to the Borrower directly to the Bulk Fuel Bridge Loan program, up to the amount of the outstanding balance.
8. The Borrower agrees to repay the loan over a period of no longer than nine months pursuant to the terms of the Promissory Note, to provide the collateral for the loan that the Lender may require, and to execute documents and to take action as the Lender may require in connection with the loan and the securing of the loan with collateral.

**BULK FUEL BRIDGE LOAN PROGRAM
WAIVER OF SOVEREIGN IMMUNITY
(AS 29.60.660)**

VILLAGE COUNCIL RESOLUTION NO. _____

DATE _____

WHEREAS, the (traditional or IRA council) _____ is an applicant for a loan in the amount of \$ _____ from the Bulk Fuel Bridge Loan Fund;

WHEREAS, the State of Alaska requires as a condition of the loan that an Alaska Native Village waive sovereign immunity from suit for any claims related to the loan.

NOW, THEREFORE, be it resolved that (name of community) _____, an Alaska Native Village, by its council, hereby gives its irrevocable consent to allow (name of community) _____ or its officials, to be sued in the name of (traditional or IRA council) _____, in the courts of the State of Alaska or any other court of competent jurisdiction, for any claims related to the loan and hereby waives any immunity from suit for such purposes, and the (traditional or IRA council) _____, or its officials, shall be liable for such claims. The (traditional or IRA council) _____ also consents to the execution of any judgment obtained pursuant to this waiver of immunity against any property, whether real or personal, including money, in an amount equal to the outstanding balance of the loan, plus accrued interest and legal costs and fees.

The foregoing resolution was duly adopted at a duly convened meeting of _____ this _____ day of _____, 20_____.

(Authorized Signature)

(Title)

STATE OF ALASKA)
) SS.
_____ JUDICIAL DISTRICT)

This instrument was acknowledged before me this _____ day of _____, 20____ by (name of officer or agent) _____ of (name of village council acknowledging) _____ a (traditional or IRA council) _____, on behalf of the council, with its authority, and as a free act.

Notary Public, State of Alaska

My Commission expires _____

***NOTE: This form is only required for applicants who are a traditional or IRA council.**

RESOLUTION NO. _____ DATE _____

BE IT RESOLVED, that (borrower) _____

is authorized to borrow from the State of Alaska, for the purpose of purchasing bulk fuel, a sum not to exceed \$ _____ and the following named person(s) _____ is authorized to execute any and all documents which may be required by the State of Alaska to reflect that indebtedness, the terms of its repayment, and any security therefore, including but not limited to a loan agreement and a promissory note (including a promissory note whose principal sum DCRA is authorized to complete upon determination of the principal sum of the loan), and an energy information sheet.

The foregoing resolution was duly adopted at a duly convened meeting of (name of borrower):

on _____ day of _____, 20____.

(Authorized Signature)

(Title)

STATE OF ALASKA)
) SS.
JUDICIAL DISTRICT)

This instrument was acknowledged before me this _____ day of _____, 20____ by (name of person signing above) _____, the _____ of _____, on its behalf, with its authority, and as a free act.

Notary Public, State of Alaska

My Commission expires _____