

**ANCHORAGE, ALASKA
 AR 2024 - 105**

**1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REVISING AND
 2 APPROPRIATING FUNDS FOR THE 2024 MUNICIPAL UTILITIES / ENTERPRISE ACTIVITIES
 3 OPERATING AND CAPITAL IMPROVEMENT BUDGETS.**

4
 5 **WHEREAS**, in accordance with Anchorage Municipal Code section 6.10.045, the Assembly may
 6 alter the Municipal Utilities / Enterprise Funds capital budget/capital program by majority vote;
 7

8 **WHEREAS**, the 2024 operating and capital improvement budgets / programs for the Municipal
 9 Utilities / Enterprise Funds were approved per AO 2023-97 and became effective January 1,
 10 2024; and
 11

12 **WHEREAS**, the Mayor has recommended revisions to the Municipal Utility / Enterprise activity
 13 departments and fund appropriations for 2024; now, therefore,
 14

15 **THE ANCHORAGE ASSEMBLY RESOLVES:**

16 **Section 1.** The amounts set forth for the 2024 fiscal year budgets are hereby revised and
 17 appropriated:

Fund	Utility / Enterprise	Approved Budget	Revision	Revised Budget
531000	Anchorage Hydropower Utility	\$ 3,299,430	\$ 279,487	\$ 3,578,917
540000	Anchorage Water Utility (AWU)	50,715,192	\$ 3,557,589	54,272,781
550000	Anchorage Wastewater Utility (ASU)	50,322,796	\$ (449,352)	49,873,444
560000	Refuse Collection Utility (RCU)	12,154,748	\$ 2,666,687	14,821,435
562000	Solid Waste Disposal (SWSDU)	28,649,935	\$ (795,501)	27,854,434
570000	Don Young Port of Alaska	16,205,122	\$ 20,373	16,225,495
580000	Airport	983,549	\$ 141,274	1,124,823

26
 27 **Section 2.** The amounts set forth for the 2024 Municipal Utilities / Enterprise Activities Capital
 28 Improvement Budgets for the municipal utilities / enterprise activities are hereby revised as
 29 described in the attached Assembly Memorandum.
 30

31 **Section 3.** The following capital activities' funding sources are available and are hereby
 32 appropriated for the 2024 Municipal Utilities/Enterprise Activities in amounts not to exceed, as
 33 follows:
 34

Fund	Utility / Enterprise	Budget	Revision	Budget
540200	AWU Capital	\$ 32,522,000	\$ (7,938,000)	\$ 24,584,000
550200	ASU Capital	16,175,000	12,000,000	28,175,000
562200	SWSDU Capital	10,135,000	11,450,000	21,585,000

1 **Section 4.** This resolution shall take effect immediately upon passage and approval by the
2 Assembly.

3
4 PASSED AND APPROVED by the Anchorage Assembly this ____ day of _____, 2024.

5
6 _____
7 Chair of the Assembly

8 ATTEST:
9
10
11 _____
12 Municipal Clerk



L A I D O N T H E T A B L E

MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

AM No. 284-2024

Meeting Date: April 9, 2024

1 FROM: MAYOR

2
3 SUBJECT: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE
4 REVISING AND APPROPRIATING FUNDS FOR THE 2024
5 MUNICIPAL UTILITIES / ENTERPRISE ACTIVITIES OPERATING
6 AND CAPITAL IMPROVEMENT BUDGETS.
7

8 The accompanying Assembly Resolution revises and appropriates the Municipal Utilities /
9 Enterprises Activities 2024 Operating Budgets for the following reasons:

- 10
11 • Adjust the Municipal Utility/Enterprise Service Assessments as appropriate; and
12 • Adjust IGCs (charges to/from others); and
13 • Adjust revenues for updated projections; and
14 • Adjust personnel and benefit costs in line with collective bargaining agreements or
15 current wage costs.
16

17 The following operating changes not incorporated in the above Quarter 1 housekeeping
18 updates are specifically listed below:
19

20 Anchorage Hydropower:

- 21 • \$135,000 Add Administrative Officer
22 • \$93,000 for: Office Supplies (\$3,000), Equipment (\$30,000), Office Lease (\$60,000)
23 • \$26,638 Increase revenues and associated expenditures to align with the current year
24 Chugach Electric Association, Inc. Power Purchase Agreement
25 • \$24,000 to provide for Travel/Training
26

27 Anchorage Water Utility (AWU)

- 28 • \$4,100,000 Dividend Increase to General Government
29

30 Municipal Airport (Merrill Field)

- 31 • \$100,000 Dividend Increase to General Government
32

33 Refuse Collection Utility (RCU)

- 34 • \$1,958,206 Increase. Transfer portion of existing transfer station debt cost from Solid
35 Waste Disposal Utility (SWSDU); both Solid Waste Services (SWS) utilities are
36 obligated under the relevant debt instrument, and both co-occupy the facility. This is a
37 reappropriation of total existing debt cost between two SWS utilities with no increase in
38 total expense.
39

40 SWSDU

- 1 • (\$1,958,206) Decrease. Transfer portion of existing transfer station debt cost to the
- 2 RCU; both SWS utilities are obligated under the relevant debt instrument, and both co-
- 3 occupy the facility. This is a reappropriation of total existing debt cost between two
- 4 SWS utilities with no increase in total expense.
- 5 • New Material Recovery Facility Staffing - Journeyman Grade 18 FT, with funding to be
- 6 provided by an AFD grant.

7
8 The following Municipal Utilities / Enterprises Activities 2024 Capital Improvement
9 Budgets/Programs (CIB/CIP) are updated as follows:

10
11 AWU Capital Projects Fund (540200)

12
13 The amounts set forth for the 2024 Municipal Utilities / Enterprise Activities Capital
14 Improvement Budgets for the municipal utilities / enterprise activities are hereby revised
15 and approved. Once the funding source is guaranteed, an appropriation will be necessary.

- 16
17 1. Alyeska Subdivision Water Access - \$300,000 project increase - with the requested
- 18 increase to be funded through grant funding.
- 19 2. Emergency Water Fill Station - \$1,750,000 project increase - with the requested
- 20 increase to be funded through grant funding.
- 21 3. Huffman Road Fire Protection Pipeline - \$1,200,000 project increase – with the
- 22 requested increase to be funded through grant funding.
- 23 4. Terraces Subdivision Fire Protection Pipeline - \$3,950,000 project increase – with the
- 24 project to be funded with \$3,750,000 through grant funding and \$200,000 from debt.
- 25 5. Public Drinking Water Access project - \$6,625,000 – with the project to be funded with
- 26 \$5,300,000 grant funding and \$1,325,000 in debt.

27
28 The following projects are requested to amend the 2024 AWU Capital Projects Fund CIB
29 and decrease the appropriation (\$7,938,000) from \$32,522,000 to \$24,584,000:

- 30
31 1. Sand Lake Subdivision Water Access (\$1,750,000), Eldon Subdivision Water Access
- 32 (\$438,000), Eagle River Fire Protection Water Storage Tank (\$2,500,000), Eagle River
- 33 Well (\$1,625,000), and Romig Park Water Utility Acquisition (\$1,625,000)

34
35 ASU Capital Projects Fund (550200)

36
37 The amounts set forth for the 2024 Municipal Utilities / Enterprise Activities Capital
38 Improvement Budgets for the municipal utilities / enterprise activities are hereby revised
39 and approved. Once the funding source is guaranteed, an appropriation will be necessary.

- 40
41 1. Powder Reserve Sewer Access - \$4,500,000 project increase – with the requested
- 42 increase to be funded through grant funding.
- 43 2. HLB Holdon Hills Sewer Access - \$2,500,000 – with the requested increase to be funded
- 44 through grant funding.

45
46 The following projects are requested to amend the 2024 ASU Capital Projects Fund CIB
47 and increase the appropriation \$12,000,000 from \$16,175,000 to \$28,175,000.

- 48
49 1. Fats, Oils, and Grease (FOG) Receiving Station - \$12,000,000 – with the requested
- 50 increase to be funded through debt.

51
52

1
2 SWS Disposal Utility (SWSDU) Capital Projects Fund (562200)
3

4 The amounts set forth for the 2024 Municipal Utilities / Enterprise Activities Capital
5 Improvement Budgets for the municipal utilities / enterprise activities are hereby revised
6 and approved. Once the funding source is guaranteed, an appropriation will be necessary.
7

8 1. Regional Landfill Leachate Treatment Facility - \$13,000,000 project increase – with the
9 requested increase to be funded through grant funding.

10
11 The following project is requested to amend the 2024 SWSDU Capital Projects Fund CIB
12 and increase the appropriation \$11,450,000 from \$10,135,000 to \$21,585,000:
13

14 1. Cell 9 Remediation - \$11,200,000 - Emergency repair to address environmental and
15 regulatory requirements. In November 2020, a fire was discovered at the working face
16 of the landfill. In August 2023, a liquid seep was observed outside of the landfill,
17 consisting of leachate from Cell 9 emanating from below the bottom liner. The likely
18 source is a defect in the bottom liner potentially caused by the 2020 fire and subsequent
19 firefighting activities. In consultation with the Alaska Department of Environmental
20 Conservation it was determined an evaluation of the integrity of the bottom liner system
21 in the vicinity of the seep and fire area was necessary. This project consists of the work
22 necessary to perform the evaluation and correct any identified defects.
23

24 2. 15th Ave - \$250,000 project increase to fix overflow onto 15th Ave from leachate seep
25 at the former landfill site at Merrill Field. Repairs will alleviate traffic hazards at 15th
26 Avenue to include winter freeze issues.
27

28 Previously approved budget documents are available at the following site:
29

30 <http://www.muni.org/Departments/budget/Pages/default.aspx>
31

32 Budget revisions included in the attached resolution will be made available at the above-
33 mentioned site after Assembly approval.
34

35 **THE ADMINISTRATION RECOMMENDS APPROVAL.**
36

37 Prepared by: Office of Management & Budget (OMB)
38 Recommended by: Sharon Lechner, OMB Director
39 Concur: Alden Thern, CFO
40 Concur: Kent Kohlhase, Municipal Manager
41 Respectfully Submitted: Dave Bronson, Mayor