

ANCHORAGE, ALASKA
AO No. 2026-40(S-1)

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE SECTION 7.10.010 AND CHAPTER 7.20 TO**
3 **CREATE A VETERAN-OWNED BUSINESS PREFERENCE PROGRAM FOR**
4 **SPECIFIC CONTRACTING CATEGORIES.**
5

6
7 **WHEREAS**, Alaska has the highest percentage of veterans of any state in the
8 country, with nearly one in ten residents having served in the armed forces; **and**
9

10 **WHEREAS**, the Municipality of Anchorage is home to an estimated 37,357 civilians
11 who have served in the military, representing approximately 12.9 percent of the local
12 adult population; and
13

14 **WHEREAS**, Anchorage is home to Joint Base Elmendorf–Richardson (JBER), the
15 largest U.S. military installation in Alaska, hosting 32,000 service members, their
16 families, and civilian personnel; and
17

18 **WHEREAS**, the Municipality seeks to honor the extraordinary service rendered to
19 the United States by veterans, encourage them to remain in the Anchorage area,
20 and stimulate economic growth within the community; and
21

22 **WHEREAS**, the Municipality can advance these goals by providing a preference to
23 small businesses owned and controlled by veterans in the award of certain
24 contracts; now, therefore,
25

26 **THE ANCHORAGE ASSEMBLY ORDAINS:**
27

28 **Section 1.** Anchorage Municipal Code section 7.10.010 is hereby amended to
29 read as follows (*the remainder of the section is not affected and therefore not set*
30 *out*):
31

32 **7.10.010 Definitions.**
33

34 *** **

35 *Architectural-engineering services* means those professional services within
36 the scope of the practice of architecture, engineering or land surveying, as
37 defined by the law of the state.
38

39 *Bidder preference* means **a percentage or dollar amount applied to a bid**
40 **for evaluation purposes only. This adjustment is used to determine the**
41 **lowest responsive and responsible bidder but shall not reduce the**
42 **actual contract award amount, which shall be based on the bid as**
43 **submitted[an amount deducted, for bid evaluation purposes only, from**
44 **the contract base bid in order to calculate the bid price to be used to**

~~**evaluate the bid on a competitively bid contract. Bidder preferences do not affect the contract price.**~~

*** *** ***

Joint venture means a commercial enterprise undertaken by more than one business enterprise jointly, limited in its scope and duration to one project, for the purpose of each enterprise's profiting thereby.

Local bidder means a person or entity who:

1. Holds a current state business license;
2. Holds a valid municipal contractor's or business license, if applicable;
3. Submits a bid for goods, services, or construction under the name as appears on the person's current state and, if applicable, municipal business license; and
4. Has maintained a place of business within the municipality staffed by the bidder or an employee of the bidder for a period of six months immediately preceding the date of the bid.

*** *** ***

Supplies means any tangible personal property.

Veteran means a person who has served in the **United States[U.S.] Army, Navy, Marine Corps, Air Force, Space Force, or Coast Guard or in the Alaska Territorial Guard, Army National Guard, Air National Guard, or Naval Militia** and was discharged or separated under honorable conditions.

Veteran-owned business means an enterprise which:

1. Is at least 51 percent owned by one or more veterans, or in the case of a publicly held corporation, at least 51 percent of all classes of the stock of which is owned by one or more veterans, whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more veterans; and
2. Has been:
 - a. Determined by the purchasing officer to qualify as a veteran-owned business pursuant to chapter 7.20; or
 - b. Verified and approved by the United States Small Business Administration as a service-disabled veteran-owned small business or a veteran-owned small business.

1 *Woman-owned business enterprise* or *WBE* means a small independent
2 business concern:

- 3
- 4 1. Which is owned at least 51 percent by one or more women, or,
5 in the case of any publicly owned business, at least 51 percent
6 of the stock of which is owned by one or more women; and
7
- 8 2. Whose management and daily business operations are
9 controlled by one or more of the women who own it.

10
11 (AO No. No. 79-203, 1-1-80; AO No. 2001-146, §§ 2—19, 8-28-01; AO
12 No. 2017-143, § 1, 11-7-17; AO No. 2024-36(S), § 1, 4-23-24; AO No. 2024-
13 110(S), § 7, 11-26-24; AO No. 2025-37, § 2, 5-16-25; AO No. 2025-139(S),
14 § 1, 1-13-26)
15

16 **Section 2.** Anchorage Municipal Code chapter 7.20 is hereby amended to read
17 as follows (*the remainder of the section is not affected and therefore not set out*):
18

19 **Chapter 7.20 METHODS OF SOURCE SELECTION**

20 *** **

21 **7.20.040 Procedures for award.**

22
23
24 A. *Contracts issued pursuant to ITB.* Contracts shall be awarded by
25 written notice issued by the purchasing officer to the lowest responsive
26 and responsible bidder. In evaluating bids, the following preferences
27 shall[~~may~~] be granted to prospective bidders when funds are
28 available and such preference is not prohibited by the funding
29 source.
30

- 31 1. Local bidder preference. A five percent preference in bid price
32 not to exceed \$50,000.00 shall be given to local
33 bidders[~~P~~][HOWEVER, P][REFERENCE ~~shall~~] [MAY] [BE
34 GIVEN TO LOCAL BIDDERS USING THE SLIDING SCALE IN
35 ~~this~~ SUBSECTION][A1 OF THIS SECTION] [WHEN FUNDS
36 ARE AVAILABLE AND SUCH PREFERENCE IS NOT
37 PROHIBITED BY THE FUNDING SOURCE].
38

39 ~~fa~~[1] [. SLIDING SCALE.

40
41 ~~i~~[a]. A FIVE PERCENT PREFERENCE IN BID PRICE
42 NOT TO EXCEED \$5,000.00 ON PURCHASES
43 NOT EXCEEDING \$166,667.00;

44
45 ~~ii~~[b]. A THREE PERCENT PREFERENCE IN BID
46 PRICE NOT TO EXCEED \$10,000.00 ON
47 PURCHASES EXCEEDING \$166,667.00 BUT
48 NOT EXCEEDING \$500,000.00; AND

49
50 ~~iii~~[c]. A TWO PERCENT PREFERENCE IN BID PRICE

NOT TO EXCEED \$20,000.00 ON PURCHASES
EXCEEDING \$500,000.00.

~~[b]2~~. LOCAL BIDDER PREFERENCE, AS PROVIDED BY
THIS subsection, Shall Be Specified In The Invitation To
Bid Documents.]

2. Veteran bidder preference. Unless otherwise prohibited by
federal, state or local law, a five percent preference in bid price
not to exceed \$50,000.00 shall be applied when the qualified
bidder is an eligible joint venture or a veteran-owned business
enterprise.

a. A bidder seeking to receive a preference under to this
section shall include with its bid submission an affidavit,
official service discharge form (DD Form 214[-
Certificate of Release or Discharge from Active
Duty], NGB Form 22, or other service equivalent),
and any other supporting documentation deemed
necessary by the purchasing officer, demonstrating that
the bidder satisfies all requirements applicable to an
eligible joint venture or veteran-owned business
enterprise.

b. If the bidder is a joint venture between a business and a
veteran-owned business, the bidder shall be eligible for
a percentage of the preference referenced above, which
shall be awarded in direct proportion to the ownership
interests of the veteran-owned business in the joint
venture.

c. As a condition of receiving the bid preference, the
eligible joint venture or veteran-owned business
enterprise shall continue to meet the definition of an
eligible joint venture or veteran-owned business
enterprise for the duration of the term of the contract.

~~[d. — Veteran bidder preference, as provided by this
subsection, shall be specified in the invitation to bid
documents.]~~

3. The bidder preferences established in this section may be
combined with each other or any other bidder preference
authorized under code or state law and shall be specified in
the invitation to bid documents. [IF THE MAYOR OR THE
MAYOR'S DESIGNEE, OR ASSEMBLY DETERMINES THAT
IT IS IN THE BEST INTEREST OF THE MUNICIPALITY TO
DO SO, THE MUNICIPALITY MAY REJECT ALL BIDS.]

B. [LOCAL BIDDER. FOR PURPOSES OF THIS CHAPTER, THE TERM

"LOCAL BIDDER" IS DEFINED AS A PERSON OR ENTITY WHO:

1. HOLDS A CURRENT STATE BUSINESS LICENSE;
2. HOLDS A VALID MUNICIPAL CONTRACTOR'S OR BUSINESS LICENSE, IF APPLICABLE;
3. SUBMITS A BID FOR GOODS, SERVICES, OR CONSTRUCTION UNDER THE NAME AS APPEARS ON THE PERSON'S CURRENT STATE AND, IF APPLICABLE, MUNICIPAL BUSINESS LICENSE; AND
4. HAS MAINTAINED A PLACE OF BUSINESS WITHIN THE MUNICIPALITY STAFFED BY THE BIDDER OR AN EMPLOYEE OF THE BIDDER FOR A PERIOD OF SIX MONTHS IMMEDIATELY PRECEDING THE DATE OF THE BID.

C.] *Rejecting all bids.* At the discretion of the purchasing officer, all bids may be rejected. Additionally, if the mayor or the mayor's designee, or assembly determines that it is in the best interest of the municipality to do so, the municipality may reject all bids.

C[D]. *Form of contract awarded.* The contract awarded shall be the contract published in the invitation for bids, including all specifications and contractual terms applicable to the procurement.

D[E]. *Bids in excess of certified funds.* If the lowest responsive and responsible bid exceeds the amount of funds certified by the chief fiscal officer to be available for the procurement, and if sufficient additional funds are not made available, the scope of the procurement may be reduced to bring its estimated cost within the amount of available funds. The purchasing officer shall issue a new invitation for bids for the reduced procurement, or, upon a finding that the efficient operation of the municipal government requires that the contract be awarded without delay, the purchasing officer may negotiate with the lowest responsive and responsible bidder or up to the three lowest bidders, and may award or recommend to the assembly for award, the reduced contract to the best negotiated proposal.

(AO No. 79-203, 1-1-80; AO No. 88-163; AO No. 95-147, § 1, 8-27-95; AO No. 2025-37, § 13, 5-16-25)

*** *** ***

7.20.060 Competitive sealed proposals; negotiated procurement; requests for proposals (RFPs).

A. *Competitive sealed proposals.* If the purchasing officer determines that use of competitive sealed bidding is either not practicable or not advantageous, the municipality may procure supplies, professional

1 services, general services or construction by competitive sealed
2 proposals under this section.

3
4 B. *Requests for proposals (RFPs).* The purchasing officer shall solicit
5 competitive sealed proposals by issuing a request for proposals. The
6 request for proposals shall state, or incorporate by reference, all
7 specifications and contractual terms and conditions to which a
8 proposal must respond, the factors to be considered in evaluating
9 proposals, the relative importance of those factors, and the manner
10 and time limits for submitting proposals. Public notice of a request for
11 proposals shall be given in accordance with subsection 7.20.020B.
12 One or more pre-proposal conferences may be held in accordance
13 with subsection 7.20.020C. A request for proposals may be modified
14 or interpreted only in the manner provided in subsection 7.20.020C.

15
16 C. *Proposal submission.* The purchasing officer shall require proposals
17 to be submitted electronically or by means of sealed envelopes. If the
18 purchasing officer accepts proposals by means of sealed envelopes,
19 they shall be designated as such and shall be submitted in the manner
20 required and no later than the time specified in the request for
21 proposals. Proposals submitted by sealed envelope that are not
22 submitted in the manner required or within the time specified in the
23 request for proposals shall not be opened or considered. Proposals
24 submitted electronically shall be submitted as specified and no later
25 than the time specified in the request for proposals. Proposals
26 submitted electronically that are not received by the means and time
27 specified in the request for proposals shall not be opened or
28 considered.

29
30 D. *Opening proposals; pre-award confidentiality.* Proposals shall be
31 opened so as to avoid disclosing their contents to competing
32 proposers during the evaluation, discussion, and negotiation process.
33 Notwithstanding chapter 3.90, the names of the responding firms,
34 contents of the proposals, tabulations and evaluations thereof shall be
35 open to public inspection only after assembly approval of a contract
36 award, except that the names of responding firms may be reported to
37 the assembly. However, the purchasing officer shall issue a notice of
38 intent to award to all responding proposers at least seven days prior
39 to assembly approval. Upon request by a competing proposer, the
40 recommended awardee's proposal shall be opened for review. The
41 review by a competing proposer is to assure reasonable access and
42 opportunity to request a debriefing from the purchasing officer prior
43 to assembly action on the proposed award. If an award does not require
44 assembly approval, public inspection shall be allowed for a period of
45 seven days after the purchasing officer has issued a notice of intent to
46 award, after which, if there are no pending reviews or actions from any
47 competing proposer, award may be made.

48
49 E. *Preference for veteran-owned businesses.* When conducting a
50 competitive solicitation procedure for a contract to which this policy

1 applies, no less than five percent of the available evaluation points
2 (five points on a 100-point scale), shall be awarded to a respondent
3 that is a veteran-owned business **when funds are available and**
4 **such preference is not prohibited by the funding source.**

5
6 1. A proposer seeking to receive a preference under this section
7 shall include with its proposal submission an affidavit, DD Form
8 214 - Certificate of Release or Discharge from Active Duty, and
9 any other supporting documentation deemed necessary by the
10 purchasing officer, demonstrating that the bidder satisfies all
11 requirements applicable to an eligible joint venture or veteran-
12 owned business enterprise.

13
14 2. If the proposer is a joint venture between a business and a
15 veteran-owned business, the proposer shall be eligible for a
16 percentage of the evaluation points referenced above, which
17 shall be awarded in direct proportion to the ownership interests
18 of the veteran-owned business in the joint venture.

19
20 3. As a condition of receiving the preference, the eligible joint
21 venture or veteran-owned business enterprise shall continue to
22 meet the definition of an eligible joint venture or veteran-owned
23 business enterprise for the duration of the contract.

24
25 d. Veteran-owned business preference, as provided by this
26 subsection, shall be specified in the request for proposals
27 documents.

28
29 F. *Negotiations with short-listed proposers.* In the manner provided in the
30 request for proposals, the purchasing officer may enter into
31 discussions with those responsible proposers whose proposals are
32 determined by the purchasing officer to be most reasonably
33 responsive to the request for proposals (short-listed firms). The
34 purchasing officer may issue an interim notice to the remaining firms
35 that a qualified list has been established for discussion purposes. No
36 disclosure of the short-listed firms, contents of proposals, tabulations
37 or evaluations thereof shall be made in accordance subsection D.
38 above. Discussions shall be used to clarify and ensure full
39 understanding of the requirements of the request for proposals. The
40 purchasing officer may permit those short-listed firms to revise their
41 proposals after submission and prior to award to obtain best and final
42 offers. Proposers deemed eligible for discussions shall be treated
43 equally regarding any opportunity to discuss and revise proposals.
44 However, if during the discussions it is evident that the proposals, as
45 submitted, will exceed the available funding, and/or other changes in
46 the terms, conditions, or requirements are needed to clarify or fulfill
47 the requirements of the municipality, the purchasing officer shall issue
48 a written modification to those short-listed firms with an established
49 date and time for the firms to respond. The failure of a short-listed firm
50 to respond or to notify the purchasing officer of a needed time

1 extension may be just cause to remove the proposer from further
2 consideration. In conducting discussions or requesting revisions,
3 neither the purchasing officer nor any other municipal officer or
4 employee shall disclose any information derived from other competing
5 proposals.
6

7 G[F]. *Award after negotiation.* If fair and reasonable compensation, contract
8 requirements and contract documents can be agreed upon with the
9 most qualified proposer (or, in the case where an award is to be made
10 to more than one proposer, to the most qualified proposers), the
11 contract shall be awarded to the most qualified proposer (or
12 proposers).
13

14 H[G]. *Failure to come to terms.* If fair and reasonable compensation,
15 contract requirements and contract documents cannot be agreed
16 upon with the most qualified proposer, the purchasing officer shall
17 advise the proposer of the termination of negotiations. If the proposals
18 were submitted by one or more other proposers determined to be
19 qualified, negotiations may be conducted with such other proposers in
20 the order of their respective rankings. The contract may be awarded
21 to the proposer then determined to be most advantageous to the
22 municipality.
23

24 I[H]. *Written notice of award.* Awards shall be made by written notice to the
25 proposer whose final proposal is determined to be most advantageous
26 to the municipality. No criteria other than those set forth in the request
27 for proposals may be used in proposal evaluation. If the mayor
28 determines that it is in the best interest of the municipality to do so, the
29 municipality may reject all proposals.
30

31 J[I]. *Consideration of costs.* When the service is routine and repetitious,
32 costs of the anticipated service shall be considered during evaluation
33 of proposals. This subsection shall not apply to a qualifications-based
34 selection process.
35

36 1. When the source selection is for architectural and/or
37 engineering services, (herein A/E services) a qualifications-
38 based selection process shall be used. Price will not be a factor
39 in the selection of the architect or engineer during the
40 evaluation process.
41

42 2. Notwithstanding subsection I.1 of this section, the purchasing
43 officer may include price as an added factor in selecting
44 architectural and engineering services when, in the judgment
45 of the purchasing officer, the services required are repetitious
46 in nature, and the scope, nature, and amount of services
47 required are thoroughly defined by measurable and objective
48 standards to reasonably enable proposers to compete with a
49 clear understanding and interpretation of the services required.
50

a.[(A)] In order to include price as a factor in selection of architectural and engineering services, a majority of the persons involved by the purchasing officer in evaluating the proposals must be registered in the state to perform architectural or engineering services.

3. Subsections 1.1 and 2 of this section do not apply to a design/build contract.

4. Except as otherwise required by state law in particular situations, this section shall apply to all procurements of architectural and engineering services by the municipality.

(AO No. 79-203, 1-1-80; AO No. 88-163; AO No. 92-82(S), 1-1-93; AO No. 92-87(S); AO No. 94-174, § 1, 10-25-64; AO No. 2001-122(S-1), § 5, 7-24-01; AO No. 2007-22, § 2, 2-27-07; AO No. 2023-56(S), § 1, 5-9-23; AO No. 2024-36(S), § 4, 4-23-24; AO No. 2025-37, § 15, 5-16-25)

7.20.070 Informal competitive bid procedures—Open market procedure; requests for quotations.

*** **

C. *Award to lowest bidder.* Awards, where practicable, shall be made to the lowest responsive and responsible bidder. The purchasing officer shall keep a record of all open market bids received and awards made thereon. [LOCAL] B[B]idders preferences may[SHALL] be applied in accordance with section 7.20.040.

*** **

(AO No. 79-203, 1-1-80; AO No. 2001-122(S-1), § 6, 7-24-01; AO No. 2019-130(S), § 2, 12-3-19; AO No. 2025-37, § 16, 5-16-25)

*** **

Section 3. This ordinance shall be effective July 1, 2026 upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2026.

Chair

ATTEST:

Municipal Clerk

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MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 328-2026

Meeting Date: May 12, 2026

1 **From: Assembly Members Goecker and Baldwin Day**

2
3 **Subject: AO 2026-40 (S-1) - AN ORDINANCE OF THE ANCHORAGE**
4 **MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL**
5 **CODE SECTION 7.10.010 AND CHAPTER 7.20 TO CREATE A**
6 **VETERAN-OWNED BUSINESS PREFERENCE PROGRAM FOR**
7 **SPECIFIC CONTRACTING CATEGORIES.**
8

9 The S-1 version of AO 2026-40 makes several focused revisions to the
10 veteran-owned business preference program created in the original version, with
11 the most significant changes affecting how bidder preferences are structured and
12 applied. The most notable modification is the replacement of the existing
13 sliding-scale local bidder preference with a single, simplified preference. The S-1
14 version eliminates this multi-tiered structure entirely and replaces it with a flat
15 five-percent preference capped at \$50,000 for both the local-bidder and
16 veteran-owned business preferences. This creates consistency across preference
17 categories and clarifies the maximum financial impact of the preference during bid
18 evaluation.
19

20 In addition to these substantive changes, the S-1 version consolidates and clarifies
21 several provisions related to how preferences must be disclosed in solicitation
22 documents. Language that previously appeared in multiple subsections is now
23 grouped together, ensuring that all bidder preferences—local, veteran, or
24 otherwise—must be explicitly stated in the invitation to bid. This improves readability
25 and reduces the risk of inconsistent application.
26

27 Taken together, the S-1 version simplifies the preference system, creates parity
28 across both local and veteran-owned businesses, and improves the clarity and
29 internal consistency of the ordinance. It represents a shift toward a more
30 straightforward and more generous preference structure while maintaining the
31 underlying policy goal of supporting Anchorage-based and veteran-owned
32 enterprises in municipal contracting.
33

34 **We request your support for the ordinance.**

35
36 Prepared by: Office of Assembly Counsel

37
38 Respectfully submitted: Jared Goecker, Assembly Member
39 District 2 – Chugiak, Eagle River, JBER

40
41 Erin Baldwin Day, Assembly Member
42 District 4 – Midtown Anchorage