Grant Funding and Snow Removal Services

A presentation to
Assembly Enterprise and Utility Oversight Committee
October 26, 2023

Mark A. Corsentino, P.E., General Manager
Presentation Goals

- Understand AWWU workforce business needs and goals with respect to grants and snow removal
- Overall understanding of AWWU workforce objectives
  - 100% AWWU Staff Utilization – pride, dedication, accountability and ownership
  - Constantly recruit to fill vacancies
  - Supplement non-reoccurring/temporary business needs with contracting
    - Whether AWWU has 0% Vacancies or 50% Vacancies, supplemental contracting is a tool used to meet non-reoccurring/temporary business needs
**Recent Grant Sources**

- **Federal Funding Sources**
  - Congressionally Directed Spending (CDS)
    - Not Competitive
    - 20% Match
    - Project size varies based on subcommittee

- **Building Resilient Infrastructure and Communities (BRIC) Grant**
  - Competitive FEMA Grant
  - 25% Match
  - Projects up to $50 million

*Until the recent CDS opportunities, AWWU has rarely received grants of material value; AWWU pays for capital improvements via bonds, loans and equity*
Grant Process Engagement

Community

Utility Planning

AWWU Grants Project List

Project Areas of Impact

MOA & Utility Priorities

Application to Grant Funding

Awarded

Municipal Clerk's Office
Approved
Date: March 21, 2023

Submitted by: Assembly Vice-Chair Constant, Assembly Member Quinn-Davidson, and Assembly Member Volland
Prepared by: Legislative Services Office
For reading: March 21, 2023

ANCHORAGE, ALASKA
AR No. 2023-94(S)

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY RECOMMENDING PROJECTS FOR FEDERAL FUNDING AND SUPPORT IN 2023-24.

WHEREAS, as the state’s largest community and home to forty percent of Alaskan residents, Anchorage is a critical hub for Alaska’s economic, industrial, medical, social, and educational activities; and,

Section 3. Funding for Anchorage Water and Wastewater Utility’s Community Project Funding and Congressionally Directed Spending
Federal requests that improve the public health, fire protection capacity, water quality, economic development, and housing supply of Anchorage; and support of the competitive federal grant application of AWWU’s highest priority project, the King Street Warm Storage Building, AWWU provides water and sewer service to over half of Alaska’s population, the Port of Alaska, Anchorage International Airport, and Joint Base Elmendorf Richardson.
Grant Funding Summary (AWWU only)

- **CDS FY23** – Awarded, pending EPA application
  - $20 Million (all sewer)

- **CDS FY24** - Not Awarded, but optimistic of success
  - $13 Million (all water)

- **BRIC Grant FY23** – Not Submitted, Competitive
  - $35 Million

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FOR IMMEDIATE RELEASE
July 27, 2023

Mukowski Directs Significant Water, Wastewater Investments for Alaska Through Interior Appropriations Bill

As Ranking Member, Mukowski Delivers Another Round of Big Wins for Alaska

- **Kiana**: $1.61 million for a project that will provide reliabilities for a highly contaminated former school building in Kiana by removing building debris and contaminated soil.
- **Bristol Bay**: $4.31 million for a project to remove the non-native duckweed species found in Bristol Bay through processes and targeted management strategies.
- **Seward**: $1.61 million for the Seward Community Center to support a new program to address the needs of the community's elderly population.
- **Soldotna**: $2.81 million for the Soldotna Pump Station to improve the efficiency of the existing wastewater system.
- **Girdwood**: $2.81 million for the Girdwood Pump Station to improve the reliability of the existing wastewater system.

In addition, the Mukowski Appropriations Bill includes:

- **$35 Million** for the Alaska Native Claims Settlement Act (ANCSA) to support the revitalization of the Alaska Native villages and communities.
- **$50 Million** for the American Rescue Plan (ARP) to support the economic recovery of the communities affected by the COVID-19 pandemic.
- **$30 Million** for the Alaska Native Health Corporation (ANHC) to support the expansion of healthcare services in rural and underserved areas.
- **$25 Million** for the Alaska Native Corporation Alliance (ANCA) to support the development and expansion of economic opportunities for Alaska Native corporations.

These investments will help improve the quality of life for Alaskans, enhance economic opportunities, and support the protection of our natural resources.
‘24-’29 AWWU CIP Potential Impact from Grants
A Method to Deliver on Grants: PMO

• PMO is a Program Management Office
  • A PMO manages multiple Projects that are within the Program
  • E.g. 1984-88 Eklutna Water Project $148M

• Leverage Expertise & Efficiency from private sector
• Maintain Existing Capital Program with AWWU Staff
• Qualifications based RFP
• Local contractors = Local hires

• Advantages:
  • Economic Development
  • Efficiency – can expand, contract or cancel based on volume
  • Expertise – targeted delivery (w/grant requirements)
PMO Proposed Schedule

- Assembly Work session: October 2023
- Advertisement (45 day) November - December 2023
- RFP Review, Interviews : January – February 2024
- Award: March 15, 2024
- Get to Work: 2024 – 2029 plus two 1-year extensions

- Questions before shifting to Snow Removal?
Snow Removal Needs of AWWU

- @150 Sites from Eklutna to Girdwood + ~7600 Hydrants

- Staffing for Standard Events
  - Field Services in CS - Plumbers
  - Distribution Operations - Plumbers
  - Treatment Facility Staff - Plumbers
  - O&M Systems, B&G, Hydrant Crew - Plumbers
  - Contractors

- Emergency Events – All Hands-on Deck, including contractors

- Inconsistent work, not core work; generally done via 'other duties as assigned', generally done via OVT outside of normal work schedules

- AWWU preference & prioritization is for staff to perform core work over snow removal
  - Diversion of Work from Critical Duties
  - Wear & Tear on Equipment
  - Employee burnout
  - Takes away from emergency readiness

From: Brandon McGuire <McGuire@ualocal367.org>
Sent: Thursday, October 14, 2021 9:15 AM
To: Merchant, Carl O. <Carl.Merchant@awwu.biz>
Cc: Boulier, David J. <David.Boulier@awwu.biz>; Matey, Michael J. <Michael.Matey@awwu.biz>
Subject: Snow Removal

This is an email from an external entity. DO NOT click links or open attachments unless you recognize the sender and know the content is safe.

Morning Dave and Carl,

Thank you for the opportunity to meet with the members yesterday morning. Sorry for not getting this email out to you sooner.

It’s the Union’s understanding that our members at 3000 Arctic no longer desire to perform the snow removal aspect of that facility, but have agreed to do so this winter season with the understanding that it’s the employers intent to outsource this indefinitely after this winter season.

During our meeting we discussed unforeseen circumstances where the manpower of UA Local 367 wouldn’t be available to perform the work. If a situation arises where voluntary overtime is required for snow removal, and the members of UA Local 367 working at the 3000 Arctic location are not able and willing to perform that duty, providing no member of UA Local 367 is having their work displaced, the Union has no intent of filing a grievance should you or Dave perform this covered work.

The intent of this email is to help the employer ensure their responsibilities are met, with the understanding that our members are reluctantly agreeing to this work. It is not the unions intent to agree to the employee, or any employer representative, performing covered bargaining work if there is a member(s) who is reasonably willing and available to perform this work.

Should an event arise where there is a disagreement as to whether a member was not provided an opportunity to perform this work as discussed, the union agrees to meet with that employee and the employer to discuss the issue prior to any grievance being filed.

Regards,
Brandon McGuire | Business Agent
UA Local 367 Plumbers & Steamfitters
610 W. 54th Avenue, Anchorage, AK 99518
907-562-2810 office | 907-241-7527 cell
mcguire@ualocal367.org | ualocal367.org
Non-Encumbering Contract(s) for Snow Removal Services

- Re-establishment of Historic Services
  - Standard Service Prior to 2017 – 3000 Arctic and King Street
  - Currently in Procurement

- AM 785-2023 – Contract Service for 66 Sites
  - Water Distribution Facilities
  - Two Septage Receiving Stations

- Sites Selected Based on Criticality and Complexity & Workforce requests

- “As Needed” Service –
  - Contract is an extension of AWWU staff ‘as needed’
  - AWWU employees have the first right to perform
  - Will Not Replace AWWU Employees
Cost of Snow Removal Contracts

- AM 785-2023, 66 Sites
  - Not to Exceed $351,607
  - Two, One Year Renewal Options at the Same Unit Price
  - Consumes Non-Labor Operating Budget
  - Non-Encumbering, as needed

- 3000 Arctic and Septage Receiving Stations - Contract In Procurement
  - ROA to Purchasing at $105,200 per year
  - Non-Encumbering, as needed

- Contract Unit Prices are Not Directly Comparable with AWWU Labor
  - Contract Unit Prices Vary per Site and Service
  - AWWU Hourly Wages Vary per Employee and Equipment
  - A point of reference was that AWWU helped MOA with Snow Removal last year and charged MOA on average @$150/hr per AWWU employee (with equipment & fuel), which was all done on voluntary OVT. In comparison, the downtown hauling contract was @$130/hr (with equipment/fuel)
AM 785-2023
Proposed Edits

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 785-2023

Meeting Date: October 10, 2023

From: MAYOR

Subject: RECOMMENDATION OF AWARD OF A NON-ENCUMBERING CONTRACT WITH HIGHMARKSERVICES (HIGHMARK) TO PROVIDE SNOWPLOWING AND REMOVAL SERVICES TO THE MUNICIPALITY OF ANCHORAGE (MOA), ANCHORAGE WATER AND WASTEWATER UTILITY (AWWU) (NOT TO EXCEED $351,607.50).

AWWU requested that the Purchasing Department issue an Invitation to Bid (ITB) for snowplowing and snow removal services for all AWWU facilities. As a result, ITB 2023B072 was issued on August 9, 2023. Bids were opened on September 6, 2023. The solicitation was divided into three different bid schedules, and a total of 10 contractors submitted bids. Highmark provided the lowest responsive and responsible bid for schedules two and three. AWWU is requesting approval of a Non-Encumbering Contract with Highmark with a Not to Exceed (NTE) amount of $351,607.50 for the period of performance beginning upon execution through a period of 12 months, with two additional one-year options to renew at the same unit prices, upon mutual consent of both parties and lawful appropriation of funds.

These services have historically been performed in part by AWWU staff, but there have always been supplemental snow removal contracts for the various 150 plus AWWU facilities requiring snow removal and sanding. Due to multiple factors, including staffing requesting more outside assistance so they can focus on their core water and wastewater work, issues, equipment maintenance concerns, productivity considerations, and other reasons, AWWU has determined that adding these additional contracting these services out is more cost-effective and efficient. This Contract will support snowplowing and removal at 64 primarily remote AWWU locations. A subsequent Contract for AWWU headquarters and other main sites is expected to be awarded through another solicitation, prior to the first snowfall.

Based upon the above information it is recommended that the Assembly approve this Non-Encumbering Contract with Highmark in the NTE amount of $351,607.50, with two one-year options to renew at the same unit price, upon mutual consent of both parties and lawful appropriation of funds. If all options are exercised, the total NTE amount will be $1,054,822.50. The contractor is offering a 20% prompt payment discount, which has the potential of reducing the estimated spend to $281,286.00 per year. As this Contract is non-encumbering, funding sources will be identified prior to the issuance of purchase orders authorizing the individual requests for this service.

Prepared by: Ryan Marquis, Principal Commodity Buyer, Purchasing
Reviewed by: David Robl, Foreman, AWWU
Recommended by: Mark A. Consentino, P.E., General Manager, AWWU
Questions?