

CLERK'S OFFICE

APPROVED

Date: 5/12/09

ANCHORAGE, ALASKA

AO NO. 2009-44

1 AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE TITLE 31 TO
2 CLARIFY OPERATION AND MANAGEMENT OF THE ANCHORAGE WATER AND
3 WASTEWATER UTILITY AND AMENDING SECTION 4.50.020 REGARDING THE
4 BIDDING REVIEW BOARD.
5

6
7 WHEREAS, at its February 4, 2009 meeting, the AWWU Board approved the
8 following clarifying revisions to title 31 and amendment to the bidding review board;
9 now, therefore,
10

11 THE ANCHORAGE ASSEMBLY ORDAINS:
12

13 **Section 1:** Anchorage Municipal Code title 31 is amended to read as follows (*the*
14 *remainder of the title is not affected, and therefore not set out*):
15

16 **31.10.010** **Establishment.**
17

18 The [RE IS ESTABLISHED THE] Anchorage Water and Wastewater Utility, or
19 AWWU, is a department [A PUBLIC CORPORATE AUTHORITY] of the municipality.
20 [THE UTILITY IS AN INSTRUMENT OF THE MUNICIPALITY, BUT EXISTS INDEPENDENTLY
21 OF AND SEPARATELY FROM THE MUNICIPALITY. THE UTILITY SHALL CONTINUE TO
22 EXIST UNTIL TERMINATED BY ORDINANCE. WHEN THE UTILITY'S EXISTENCE IS
23 TERMINATED, ALL OF ITS RIGHTS, ASSETS AND PROPERTIES SHALL PASS TO THE
24 MUNICIPALITY.]
25

26 **31.10.020** **Governing Body.**
27

28 A. The Anchorage Water and Wastewater Utility shall be governed by a
29 Board of Directors consisting of seven (7) members. All Directors
30 shall be citizens of the United States, and residents of and registered
31 voters in the Municipality of Anchorage. At least four (4) [FIVE] of the
32 Directors shall be customers of the Anchorage Water and Wastewater
33 Utility, and one Director shall be an employee of the municipality.
34 Board members shall be qualified as follows:

- 35 1. One member shall be a member in good standing of the Alaska
36 Bar;
- 37 2. One member shall be a registered professional engineer in
38 Alaska;
- 39 3. One member shall have experience in finance, accounting, or
40 business administration;
- 41 4. One member shall be a public health professional;
- 42 5. One member shall be a municipal employee;
- 43 6. Two members shall be at large.
44

*** *** ***

(AO No. 2005-107, § 1, 9-13-05)

31.10.030 Powers of the Board of Directors.

*** *** ***

B. The Board may also:

*** *** ***

9. Municipal attorney shall advise and assist the Utility [AUTHORITY] on legal matters; the Board may obtain other appropriate professional services as required;

*** *** ***

C. The Board may exercise the power of eminent domain on behalf of the Utility subject to [ONLY WITH] prior approval by the Assembly, or if required for an emergency declaration by the Mayor, in accordance with title 25.

*** *** ***

(AO No. 2005-107, § 1, 9-13-05)

*** *** ***

31.10.050 Definitions.

The following words, terms and phrases, when used in this title, shall have the meanings ascribed to them in this section:

*** *** ***

Utility Division Director means AWWU [AUTHORITY] division manager.

[*WINDFALL CONDITION* MEANS LARGE PROFITS RECEIVED BY THE UTILITY FROM NON-TYPICAL UTILITY TRANSACTIONS INCLUDING, BUT NOT LIMITED TO, SALE OF LAND, FACILITIES, LARGE EQUIPMENT.]

(AO No. 2005-107, § 1, 9-13-05)

31.20.010 Fiscal Management.

The chief fiscal officer shall be advisor regarding [TO THE AUTHORITY] the Utility's [ITS] financial affairs, including but not limited to establishing and maintaining the Utility's [AUTHORITY'S] funds. The chief fiscal officer, auditors appointed by the chief fiscal officer, and the internal auditor may examine and audit the books and records of the Utility [AUTHORITY] regarding its financial affairs, and the chief fiscal officer and the internal auditor may make recommendations to the Utility [AUTHORITY], the mayor and the assembly regarding the Utility's [AUTHORITY'S] financial affairs. The chief fiscal officer shall be custodian of the Utility's [AUTHORITY'S] funds.

(AO No. 2005-107, § 1, 1-1-07)

*** *** ***

31.20.100 Purchasing and Contracts.

A. The Board shall use the same purchasing and contracting rules and policies for the Utility contained in title 7, except that the Board shall designate utility positions [APPOINT UTILITY EMPLOYEES] to assume the functions of the municipal purchasing office under title 7, purchasing officer under title 7, and the Director of Public Works under section 7.15.060.

B. The Board shall have the powers [OF THE BIDDING REVIEW BOARD UNDER SECTION 7.20.130 AND THE POWERS] of the Mayor and the Assembly under title 7, except for the power of the Assembly under section 7.15.100. The Board will report quarterly all contract awards in an informational memorandum to the Assembly.

C. The Utility may, at its discretion, negotiate and implement agreements for goods and services with the municipality, subject to the terms of any transition plan adopted by the Board and the Assembly.

(AO No. 2005-107, § 1, 1-1-07)

*** *** ***

31.20.120 Complaints and Appeals.

The Board shall establish procedures for reviews of formal and informal complaints from customers, and for appeals of decisions on such complaints. A decision on a formal complaint, which decision was not made by the Board, may be appealed to the Board within thirty (30) days after notice of the decision has been mailed to the parties. Decisions of the Board on a formal complaint may be appealed to the Ombudsman within thirty (30) days after notice of the Board's decision has been mailed to the parties. Appeals of Utility [AUTHORITY] decisions not received by the Board or the Ombudsman, as appropriate, within the time set forth herein shall be dismissed.

(AO No. 2005-107, § 1, 1-1-06)

*** *** ***

Section 2: Anchorage Municipal Code section 4.50.020 is amended to read as follows (*the remainder of the section is not affected, and therefore not set out*):

4.50.020 Bidding review board.

There is established a bidding review board consisting of nine members including:

- 1 A. One member from the board of building regulation examiners and
2 appeals;
3 B. One member from the Municipal Light and Power Utility Board of
4 Directors;
5 C. One member from the public facilities advisory commission;
6 D. One member from the Anchorage Water and Wastewater Utility Board
7 of Directors [WATER UTILITY COMMISSION];
8 E. One member from the port commission; and
9 F. Four members from the construction and labor industry.

10 *** *** ***


11
12 (CAC 4.37.010, 4.37.050; AO No. 84-82(SA); AO No. 85-11; AO No. 93-129, § 1, 8-24-
13 93; AO No. 95-223, § 1, expires 1-20-1998; AO No. 99-7, § 1, 1-26-99, expires 1-20-02;
14 AO No. 2001-189, § 2, expires 1-20-05)
15 *Charter references:* Boards and commissions, § 5.07; competitive bidding, § 13.09.
16 *Cross references:* Purchasing and contracts and professional services, Tit. 7; general
17 contracting procedures, Ch. 7.15.
18

19 **Section 3:** This ordinance shall be effective immediately upon passage and
20 approval by the Assembly.
21

22
23 PASSED AND APPROVED by the Anchorage Assembly this 12th day of
24 May, 2009.
25

26 
27 _____
28 Chair of the Assembly
29

30 ATTEST:

31
32 
33 _____
34 Municipal Clerk
35
36

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 200-2009

Meeting Date: April 14, 2009

1 **FROM: ACTING MAYOR**

2
3 **SUBJECT: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE**
4 **TITLE 31 TO CLARIFY OPERATION AND MANAGEMENT OF**
5 **THE ANCHORAGE WATER AND WASTEWATER UTILITY AND**
6 **AMENDING SECTION 4.50.020 REGARDING THE BIDDING**
7 **REVIEW BOARD.**
8
9

10 This ordinance provides for administrative modifications to Anchorage Municipal
11 Code title 31 regarding the Anchorage Water and Wastewater Utility (AWWU).
12

13 AWWU was established under a Board of Directors (Board) through passage of
14 AO 2005-107 on September, 13, 2005. This change was envisioned as a means
15 of improving the efficiency of the Utility in undertaking its mission of supporting the
16 public health, safety, and economic interests of the community by providing quality
17 water and wastewater services in a responsible, efficient, and sustainable manner.
18

19 The establishment of a Board governing AWWU allowed the implementation of
20 best business practices. The Board is focused on one business enterprise with an
21 emphasis on strong fiscal management and sustaining system integrity.
22 Customers have better access to policy makers and improved opportunities to
23 respond and comment on rate adjustments.
24

25 A Transition Plan was drawn up to provide for separation of some functions from
26 the municipality, and the Transition Plan was approved by the Assembly in June of
27 2006. AWWU assumed several functions as a result, including administration of
28 accounts payable, equal employment opportunity, and purchasing, for example.
29

30 Experience and working within title 31 illuminated the requirement for a few
31 administrative corrections. While the code initially identified AWWU as a public
32 corporate authority, current legal opinion holds that it is not. Thus,
33 section 31.01.010 corrects this issue.
34

35 Section 31.10.020 adjusts the number of Board members who are AWWU
36 ratepayers from five to four. The Board recognized that recruitment of new Board
37 members was limited by the geographic constraints posed by the requirement for
38 certain members of the Board to be utility customers. The reduction in minimum
39 number of ratepayers on the Board allows a wider range of candidates to be
40 considered for the Board in conjunction with technical expertise requirements.
41 Four ratepaying Board members retains a majority representation of customers on

1 the Board.

2
3 "Windfall Condition" was a term used in the original language of title 31. Previous
4 amendments (AO 2008-85) removed the language. The definition provided in
5 Section 31.10.50 is deleted as the term is no longer in use in title 31.

6
7 The Purchasing and Contracts section 31.20.100 is amended to clarify the duty of
8 the Board in establishing the administrative structure of the department.
9 Additionally, it is not appropriate for the Board to unilaterally review its own bid
10 awards. The reference to the Bidding Review Board is therefore dropped from
11 title 31. Section 4.50.020 is amended to include AWWU participation on the
12 municipal-wide Bidding Review Board.

13
14 At its February 4, 2009 meeting, the AWWU Board approved the revisions to
15 title 31 and chapter 4.50.

16
17
18 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
19 **AMENDING ANCHORAGE MUNICIPAL CODE TITLE 31 TO CLARIFY**
20 **OPERATION AND MANAGEMENT OF THE ANCHORAGE WATER AND**
21 **WASTEWATER UTILITY AND AMENDING SECTION 4.50.020 REGARDING**
22 **THE BIDDING REVIEW BOARD.**

23
24
25 Prepared by: Anchorage Water & Wastewater Utility
26 Recommended by: Sharon Weddleton, AWWU Board Chair
27 Concur: James N. Reeves, Municipal Attorney
28 Concur: Michael K. Abbott, Municipal Manager
29 Respectfully submitted: Matt Claman, Acting Mayor

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

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SECTION 4.50.020 REGARDING THE BIDDING
REVIEW BOARD.**

Sponsor: ACTING MAYOR
Preparing Agency: AWWU
Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY09	FY10	FY11	FY12	FY13
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					

TOTAL DIRECT COSTS:	0	0	0	0	0
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6000 IGCs

FUNCTION COST:

REVENUES:	0	0	0	0	0
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CAPITAL:	0	0	0	0	0
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POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS: None

PRIVATE SECTOR ECONOMIC EFFECTS: None

Prepared by: Brett Jokela

Telephone: 786-5511

Content ID: 007481**Type:** Ordinance - AO

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Author: gibsonam**Initiating Dept:** AWWU**Date Prepared:** 3/2/09 8:26 AM**Director Name:** Mark Premo**Assembly Meeting Date:** 4/14/09 1**Public Hearing Date:** 4/28/09 1

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	4/3/09 11:52 AM	Exit	Michael Abbott	Public	007481
MuniMgrCoord_SubWorkflow	4/3/09 11:52 AM	Approve	Michael Abbott	Public	007481
MuniManager_SubWorkflow	4/3/09 11:52 AM	Approve	Michael Abbott	Public	007481
Legal_SubWorkflow	3/13/09 2:31 PM	Approve	Rhonda Westover	Public	007481
Finance_SubWorkflow	3/12/09 1:31 PM	Approve	Teresa Peterson	Public	007481
OMB_SubWorkflow	3/12/09 7:23 AM	Approve	Marilyn T. Banzhaf	Public	007481
AWWU_SubWorkflow	3/11/09 4:56 PM	Approve	Mark Premo	Public	007481
AllOrdinanceWorkflow	3/11/09 4:33 PM	Checkin	Alyssa Gibson	Public	007481
OMB_SubWorkflow	3/10/09 1:30 PM	Reject	Wanda Phillips	Public	007481
AWWU_SubWorkflow	3/2/09 8:33 AM	Approve	Mark Premo	Public	007481
AllOrdinanceWorkflow	3/2/09 8:31 AM	Checkin	Alyssa Gibson	Public	007481