

See AB 2011-24(s)

**ANCHORAGE, ALASKA
AO No. 2011-24**

AN ORDINANCE REPEALING TITLE 31, ANCHORAGE WATER & WASTEWATER UTILITY AUTHORITY, AND TITLE 32, MUNICIPAL LIGHT & POWER UTILITY, AMENDING CHAPTERS 4.50, 4.70, 4.80 AND 26.10 TO REINSTATE PUBLIC UTILITY COMMISSIONS AND CONFORM GENERAL DUTIES COMMON TO ALL ADVISORY UTILITY COMMISSIONS, IMPLEMENT THE REPEAL, AND PROVIDING FOR A TRANSITION PERIOD.

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code title 31 is repealed in its entirety. A copy of title 31 is attached hereto.

Section 2. Anchorage Municipal Code title 32 is repealed in its entirety. A copy of title 32 is attached hereto.

Section 3. Anchorage Municipal Code chapter 4.50.020 is amended to read *(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:

- A. One member from the board of building regulation examiners and appeals;
- B. One member from the Municipal Light and Power Utility Commission [BOARD];
- C. One member from the public facilities advisory commission;
- D. One member from the Anchorage Water and Wastewater Utility Commission [BOARD OF DIRECTORS];
- E. One member from the port commission; and
- F. Four members from the construction and labor industry.

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(CAC 4.37.010, 4.37.050; AO No. 84-82(SA); AO No. 85-11; AO No. 93-129, § 1, 8-24-93; AO No. 95-223, § 1, expires 1-20-1998; AO No. 99-7, § 1, 1-26-99, expires 1-20-02; AO No. 2001-189, § 2, expires 1-20-05; AO No. 2008-37, § 1, 3-18-08; AO No.

2008-90(S), § 4, 1-1-2010; AO No. 2009-44, § 2, 5-12-09)

Charter references: Boards and commissions, § 5.07; competitive bidding, § 13.09.

Cross references: Purchasing and contracts and professional services, Tit. 7; general contracting procedures, Ch. 7.15.

Section 4. Anchorage Municipal Code section 4.70.010 is amended to read:

4.70.010 Generally.

A. There are established the following municipal public utility advisory commissions:

1. Solid waste services commission for solid waste services consisting of the municipal refuse collections utility and solid waste disposal utility.

2. Municipal Light and Power Utility Commission for Municipal Light and Power Utility.

3. Anchorage Water and Wastewater Utility Commission for Anchorage Water and Wastewater Utility.

B. Due consideration shall be given to technical qualifications in choosing the members of each commission. When transmitting to the Assembly for confirmation the name of appointees to the commission, the Mayor shall cause a notice of a ten (10) day comment period inviting public comment on the qualifications of such appointees to be published. The notice shall state that comments must be in writing, and must be filed with the municipal clerk. Upon receipt of such comments, the municipal clerk shall forward the comments to the Mayor and the Assembly. The Assembly shall take no action on confirmation of an appointee until after the close of the public comment period.

C. The general manager/director of the municipal utility shall be the executive secretary and technical advisor to the commission. Each municipal utility shall provide the administrative support for its respective commission.

D [C]. Each commission shall [is empowered to]:

1. Review annually the public utility's operations, business and strategic plans, operating and capital budgets, [AND OPERATIONS] and submit recommendations to the mayor and assembly for consideration during the annual budget adoption;

2. Review and make recommendations on utility policies and practices to the mayor and assembly;

3. Submit recommendations to the mayor and assembly as to any necessary expansions, improvements or economies of the public utility; [AND]
4. Conduct public hearings on matters pertaining to the public utility, including public utility operation, expansion or service improvement, public utility rates, and department regulations. By resolution duly enacted after public hearing, the public utility commission shall make recommendations to the mayor and assembly on the proposed adoption of public utility changes, rates or regulations;
5. Review public utility contracts and community programs involving the public utility for recommendations to the general manager or director, the mayor and assembly;
6. Assist with public outreach and education concerning utility consumption, consumer best practices, and challenges facing the public utility; and
- 7 [4]. Perform such utility related advisory duties as the mayor or assembly may [REFER TO IT] from time to time refer to the commission.
- E. It is not a conflict of interest for a municipal employee utility commission member or rate-payer utility commission member to participate in the performance of duties of the advisory commission.
- F. Except as may be inconsistent with the provisions of this section, chapter 4.05 shall apply to public utility commissions.

CAC 2.64.450--2.64.470; AO No. 89-51(S-3); AO No. 91-142(S-1); AO No. 91-173(S); AO No. 2005-107, §2, 9-13-05; AO No. 2008-90(S), §5, 1-1-09)
Cross references: Municipal light and power commission, § 4.70.030.

Section 5. Anchorage Municipal Code section 4.70.020 is reenacted and amended to read as follows:

4.70.020 Water and wastewater utilities commission. [(REPEALED)]

[A.] There is established an Anchorage Water and Wastewater Utility Commission consisting of seven members.

1. At least five (5) members of the commission shall be customers of the Anchorage Water and Wastewater Utility.
2. Commission members shall include:

- a. One member shall be a member in good standing of the Alaska Bar with experience in utility matters;
- b. One member shall be a registered professional engineer in Alaska with experience in utility matters;
- c. One member shall have experience in finance, accounting, or business administration regarding utility matters;
- d. One member shall be a public health professional;
- e. One member shall be a municipal employee of the utility who is not in the executive classification and not exempt from bargaining unit representation;
- f. Two members shall be at large.

[B. WHEN TRANSMITTING TO THE ASSEMBLY FOR CONFIRMATION THE NAME OF APPOINTEES TO THE COMMISSION, THE MAYOR SHALL CAUSE A NOTICE OF A TEN (10) DAY COMMENT PERIOD INVITING PUBLIC COMMENT ON THE QUALIFICATIONS OF SUCH APPOINTEES TO BE PUBLISHED. THE NOTICE SHALL STATE THAT COMMENTS MUST BE IN WRITING, AND MUST BE FILED WITH THE MUNICIPAL CLERK. UPON RECEIPT OF SUCH COMMENTS, THE MUNICIPAL CLERK SHALL FORWARD THE COMMENTS TO THE MAYOR AND THE ASSEMBLY. THE ASSEMBLY SHALL TAKE NO ACTION ON CONFIRMATION OF AN APPOINTEE UNTIL AFTER THE CLOSE OF THE PUBLIC COMMENT PERIOD.

C. THE GENERAL MANAGER OF THE ANCHORAGE WATER AND WASTEWATER UTILITY SHALL SERVE AS THE EXECUTIVE SECRETARY OF AND TECHNICAL ADVISOR TO THE COMMISSION.

D. EXCEPT AS MAY BE INCONSISTENT WITH THE PROVISIONS OF THIS SECTION, CHAPTER 4.05 SHALL APPLY TO THE COMMISSION.

E. THE COMMISSION SHALL:

1. CONDUCT PUBLIC HEARINGS, WHEN DEEMED ADVISABLE BY THE COMMISSION, ON MATTERS PERTAINING TO WATER AND SEWER UTILITY RATES OR REGULATIONS, AND AFTER SUCH HEARING, BY RESOLUTION DULY ENACTED, RECOMMEND TO THE MAYOR AND ASSEMBLY ADOPTION OF WATER AND SEWER RATES OR REGULATIONS;
2. REVIEW WATER AND SEWER SERVICE POLICIES AND PRACTICES;
3. HOLD PUBLIC HEARINGS WHEN DEEMED ADVISABLE BY THE COMMISSION ON OTHER MATTERS AFFECTING WATER AND WASTEWATER UTILITY OPERATIONS;

4. REVIEW ANNUALLY THE ANCHORAGE WATER UTILITY AND ANCHORAGE WASTEWATER UTILITY BUDGETS AND OPERATIONS, AND SUBMIT RECOMMENDATIONS TO THE MAYOR AND THE ASSEMBLY;
5. SUBMIT RECOMMENDATIONS TO THE MAYOR AND ASSEMBLY AS TO ANY NECESSARY EXPANSIONS, IMPROVEMENTS OR ECONOMIES OF THE ANCHORAGE WATER UTILITY AND THE ANCHORAGE WASTEWATER UTILITY;
6. PERFORM SUCH OTHER DUTIES AS THE MAYOR AND ASSEMBLY MAY REFER TO IT FROM TIME TO TIME.]

(CAC 2.64.550--2.64.560; AO No. 78-40; AO No. 84-85; AO No. 95-223, § 1, expires 1-20-1998; AO No. 99-7, § 1, 1-26-99, expires 1-20-02; AO No. 2001-189, § 2, expires 1-20-05; AO No. 2005-107, § 3, 9-13-05)
Cross references: Water service, Ch. 26.40; sewer service, Ch. 26.50.

Section 6. Anchorage Municipal Code section 4.70.030 is reenacted and amended to read as follows:

4.70.030 Municipal light and power commission. [(REPEALED)]

[A.] There is established a Municipal Light and Power Commission consisting of five members.

1. At least three (3) members of the commission shall be customers of the utility.
2. Commission members shall include:
 - a. One member shall be a member in good standing of the Alaska Bar with experience in utility matters;
 - b. One member shall be a registered professional engineer in Alaska with experience in utility matters;
 - c. One member shall have experience in finance, accounting, or business administration regarding utility matters;
 - d. One member shall be a representative of a large commercial or industrial customer;
 - e. One member shall be a municipal employee of the utility who is not in the executive classification and not exempt from bargaining unit representation.

[B.] WHEN TRANSMITTING TO THE ASSEMBLY FOR CONFIRMATION THE NAME OF APPOINTEES TO THE COMMISSION, THE MAYOR SHALL CAUSE A NOTICE OF A

TEN (10) DAY COMMENT PERIOD INVITING PUBLIC COMMENT ON THE QUALIFICATIONS OF SUCH APPOINTEES TO BE PUBLISHED. THE NOTICE SHALL STATE THAT COMMENTS MUST BE IN WRITING, AND MUST BE FILED WITH THE MUNICIPAL CLERK. UPON RECEIPT OF SUCH COMMENTS, THE MUNICIPAL CLERK SHALL FORWARD THE COMMENTS TO THE MAYOR AND THE ASSEMBLY. THE ASSEMBLY SHALL TAKE NO ACTION ON CONFIRMATION OF AN APPOINTEE UNTIL AFTER THE CLOSE OF THE PUBLIC COMMENT PERIOD.

C. THE MUNICIPAL LIGHT AND POWER COMMISSION SHALL BE STAFFED BY THE GENERAL MANAGER AND STAFF OF THE MUNICIPAL LIGHT AND POWER UTILITY. THE GENERAL MANAGER OF MUNICIPAL LIGHT AND POWER UTILITY SHALL BE THE EXECUTIVE SECRETARY AND TECHNICAL ADVISOR TO THE COMMISSION.

D. EXCEPT AS MAY BE INCONSISTENT WITH THE PROVISIONS OF THIS SECTION, CHAPTER 4.05 SHALL APPLY TO THE COMMISSION.

E. THE COMMISSION SHALL HAVE THE DUTIES AND BE EMPOWERED:

1. CONDUCT PUBLIC HEARINGS, WHEN DEEMED ADVISABLE BY THE COMMISSION, FOLLOWING NOTICE ACCORDING TO LAW, ON MATTERS PERTAINING TO ELECTRIC UTILITY RATES AND REGULATIONS AND, AFTER SUCH HEARING, BY RESOLUTION DULY ENACTED, TO RECOMMEND ADOPTION OF ELECTRIC RATES;
2. RECOMMEND ADOPTION OF ELECTRIC UTILITY SERVICE REGULATIONS;
3. INITIATE, NEGOTIATE AND REVIEW FOR RECOMMENDATIONS MUNICIPAL ELECTRIC UTILITY CONTRACTS;
4. REVIEW ELECTRIC SERVICE POLICIES AND PRACTICES;
5. REVIEW ANNUALLY THE MUNICIPAL LIGHT AND POWER DEPARTMENT BUDGET AND ITS OPERATIONS;
6. MAKE RECOMMENDATIONS AS TO ANY NECESSARY EXPANSIONS, IMPROVEMENTS OR ECONOMIES OF THE MUNICIPAL ELECTRIC UTILITY;
7. PERFORM SUCH OTHER DUTIES AS THE ASSEMBLY MAY REFER TO IT FROM TIME TO TIME.]

(CAC 2.64.250--2.64.270; AO No. 84-84; AO No. 95-223, § 1, expires 1-20-1998; AO No. 99-7, § 1, 1-26-99, expires 1-20-02; AO No. 2001-189, § 2, expires 1-20-05; AO No. 2008-90(S), § 6, 1-1-09)

Section 7. Anchorage Municipal Code section 4.70.040 is amended as follows:

4.70.040 Solid waste and recycling advisory commission.

There is established a solid waste commission consisting of seven

members. [THE DIRECTOR OF MUNICIPAL SOLID WASTE SERVICES SHALL BE THE EXECUTIVE SECRETARY AND THE TECHNICAL ADVISOR TO THE COMMISSION.

THE COMMISSION SHALL

- A. REVIEW SOLID WASTE DEPARTMENT POLICIES AND PRACTICES.
- B. REVIEW ANNUALLY THE SOLID WASTE DEPARTMENT'S BUDGET AND OPERATIONS.
- C. CONDUCT PUBLIC HEARINGS WHEN DEEMED APPROPRIATE ON MATTERS PERTAINING TO REFUSE COLLECTION, SOLID WASTE, HAZARDOUS WASTE, RECYCLING, COMPOSTING, AND WASTE REDUCTION, INCLUDING BUT NOT LIMITED TO, SERVICES, RATES, REGULATIONS, AND ANY EXPANSION OR IMPROVEMENT OF THE SOLID WASTE SERVICES DEPARTMENT.
- D. MAKE RECOMMENDATIONS TO THE MAYOR AND THE ASSEMBLY ON THE TOPICS AND ISSUES REVIEWED BY THE COMMISSION.
- E. ASSIST WITH PUBLIC OUTREACH AND EDUCATION ON THE TOPICS OF SOLID WASTE, HAZARDOUS WASTE, RECYCLING, COMPOSTING, AND WASTE REDUCTION.
- F. ENCOURAGE ECONOMIC DEVELOPMENT ASSOCIATED WITH WASTE MANAGEMENT AND MATERIALS RECOVERY ACTIVITIES.
- G. PERFORM SUCH OTHER DUTIES AS THE MAYOR AND THE ASSEMBLY MAY FROM TIME TO TIME REFER TO THE CONSIDERATION OF THE COMMISSION.]

(AO No. 82-92; AO No. 98-123, § 1, 8-25-98; AO No. 2001-147, § 1, 8-28-01; AO No. 2001-189, § 3, expires 9-1-04; AO No. 2006-73, § 1, 5-23-06)
Cross references: Solid waste collection, Ch. 26.70; solid waste disposal, Ch. 26.80.

Section 8. Anchorage Municipal Code sections 4.80.020 and 4.80.030 are repealed as follows:

4.80.020 Anchorage Water and Wastewater Utility Authority Board of Directors. (Repealed.)

[THERE IS ESTABLISHED AN ANCHORAGE WATER AND WASTEWATER UTILITY AUTHORITY BOARD OF DIRECTORS WITH THE POWERS AND DUTIES MORE PARTICULARLY SET FORTH IN TITLE 31.]

(AO No. 2005-107, § 4, 9-13-05)

4.80.030 Municipal Light & Power Utility Board of Directors.
(Repealed.)

[THERE IS ESTABLISHED A MUNICIPAL POWER AUTHORITY BOARD OF DIRECTORS
WITH THE POWERS AND DUTIES MORE PARTICULARLY SET FORTH IN TITLE 32.]

(AO No. 2008-90(S), § 7, 1-1-09)

Section 9: Anchorage Municipal Code section 26.10.080 is repealed as follows:

**26.10.080 Applicability of chapter to Anchorage Water and
Wastewater Utility. (Repealed.)**

[SECTIONS 26.10.015, 26.10.065, AND 26.10.075 SHALL NOT APPLY TO THE
ANCHORAGE WATER AND WASTEWATER UTILITY.]

(AO No. 2005-107, § 5, 1-1-06)

Section 10. This ordinance shall be effective immediately upon passage and
approval by the Assembly.

Section 11. To ensure an orderly and timely transition, Anchorage Water &
Wastewater Utility and Municipal Light & Power Utility shall each take the following
steps to implement this ordinance:

- A. Within 90 days of the effective date of this ordinance, each utility shall
submit a report by AIM to the Assembly and the Mayor, detailing the
appropriate steps to transition from a Board-governed utility to a
municipal utility; then,
- B. Within 180 days of the effective date of this ordinance, each utility shall
complete transition from a Board-governed utility to a municipal utility,
and the code amendments herein shall become effective.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of
_____, 2011.

Chair of the Assembly

ATTEST:

Municipal Clerk



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
NO. AM 111-2011

Meeting Date: February 15, 2011

From: Assembly Vice Chair Flynn
Subject: **AN ORDINANCE REPEALING TITLE 31, ANCHORAGE WATER & WASTEWATER UTILITY AUTHORITY, AND TITLE 32, MUNICIPAL LIGHT & POWER UTILITY, AMENDING CHAPTERS 4.50, 4.70, 4.80 AND 26.10 TO REINSTATE PUBLIC UTILITY COMMISSIONS AND CONFORM GENERAL DUTIES COMMON TO ALL ADVISORY UTILITY COMMISSIONS, IMPLEMENT THE REPEAL, AND PROVIDING FOR A TRANSITION PERIOD.**

The decision to establish governing boards for ML&P and AWWU and Assembly approval for delegation of operation and management authority to the governing boards was thoughtfully conceived several years ago. That said, last fall's Assembly review of enterprise activity budgets yielded information that each utility anticipates significant rate increases in the coming years.

Because the Assembly is charged with approving rate increases, subject to ratification by the Regulatory Commission of Alaska, and because changes to ML&P and AWWU rate structures significantly impact the budgets of Anchorage households and businesses, it is incumbent upon the Assembly to be proactive in setting policy, understanding operational and management challenges, and knowing the rationale and necessity for proposed rate changes.

This legislation supports the Assembly in exercising its duty and responsibility. In these economically challenging times, the decision-building process related to utility rate structures and reflected in proposed rates must include the Assembly. By repealing the intermediary board structures and retaining the former advisory utility commissions, our community can be best served now. This legislation will assist efforts to make the municipal utility operational and management structures efficient for the rate-payer, and support the Mayor and the Assembly in performing their respective duties and responsibilities. The Department of Law has also suggested items of general housekeeping to improve uniformity among utility commission general duties.

Recognizing the importance of this issue, companion legislation sponsored by the Mayor is also being introduced. The Assembly appreciates the excellent work performed by the board members, past and present, of ML&P and AWWU, and we hope current members will continue their service on the respective advisory commissions.

Respectfully submitted:

Patrick Flynn
Assembly Member, Section 1

31.10.010 Establishment.

The Anchorage Water and Wastewater Utility, or AWWU, is a department of the municipality.

(AO No. 2005-107, § 1, 9-13-05; AO No. 2009-44, § 1, 5-12-09)

31.10.020 Governing body.

A. The Anchorage Water and Wastewater Utility shall be governed by a Board of Directors consisting of seven members. All Directors shall be citizens of the United States, and residents of and registered voters in the Municipality of Anchorage. At least four of the Directors shall be customers of the Anchorage Water and Wastewater Utility, and one Director shall be an employee of the municipality. Board members shall be qualified as follows:

1. One member shall be a member in good standing of the Alaska Bar with experience in utility matters;
2. One member shall be a registered professional engineer in Alaska with experience in utility matters;
3. One member shall have experience in finance, accounting, or business administration with experience in utility matters;
4. One member shall be a public health professional;
5. One member shall be a municipal employee;
6. Two members shall be at large.

B. Directors shall serve staggered terms, and shall be appointed to office by the mayor and confirmed by the assembly. The first term lengths shall be as follows:

Seat 1: 1 year

Seat 2: 2 years

Seat 3: 2 years

Seat 4: 3 years

Seat 5: 4 years

Seat 6: 4 years

Seat 7: 5 years

After the first term, terms for each seat shall be five years.

C. When transmitting to the assembly for confirmation the name of appointees to the board, the mayor shall cause a notice of a ten-day comment period inviting public comment on the qualifications of such appointees to be published. The notice shall state that comments must be in writing, and must be filed with the municipal clerk. Upon receipt of such comments, the municipal clerk shall forward the comments to the mayor and the assembly. The assembly shall take no action on confirmation of the appointees until after the close of the public comment period.

D. Any director may be removed upon a vote of at least eight members of the assembly, or a vote of at least six members of the assembly and concurrence of the mayor given within seven days after the assembly's action. The board shall adopt ethical standards for directors substantially similar to Chapter 1.15 in its by-laws.

E. The general manager of the utility shall not be a director, but shall serve as executive secretary and staff to the board.

F. The compensation for the Anchorage Water and Wastewater Utility Board of Directors shall be determined by the commission on salaries and emoluments in the same manner as provided for elected officials in Charter Section 5.08.

G. Except as may be inconsistent with the provisions of this title, Chapter 4.05 shall apply to the board.

(AO No. 2005-107, § 1, 9-13-05; AO No. 2009-44, § 1, 5-12-09; AO No. 2009-134, § 1, 1-12-10)

31.10.030 Powers of the board of directors.

A. In connection with the operation and management of the Anchorage Water and Wastewater Utility, the board of directors shall operate and manage the utility and in general may exercise any power unless otherwise provided in the Charter, the Code, or prohibited by state law.

B. The board may also:

1. Adopt a seal;
2. Sue and be sued;
3. Annually review the compensation of utility employees, and set compensation levels of general manager and utility division directors in accordance with Chapter 31.30; provided that the compensation of the general manager shall be approved by the mayor.
4. Formulate and adopt policies, and forward proposed rules and policies to the assembly for approval where required;
5. Adopt, amend and repeal bylaws for the board's internal organization and activities; by-laws regarding notice of meetings shall be consistent with the Charter and Section 1.25.015;
6. Operate, manage, and control, utility land, plant, facilities, and personal property in accordance with general standards common to utilities, whether public or private, providing the same utility service subject to Title 25;
7. Provide for and manage all of the utility's human resource, payroll, treasury, accounts receivable, accounts payable, purchasing, contracting, and other operational or business functions;

8. Obtain rights-of-way necessary or desirable to the utility's services, subject to Title 25;
9. Municipal attorney shall advise and assist the utility on legal matters; the Board may obtain other appropriate professional services as required;
10. Investigate, study and plan utility facility requirements and service conditions;
11. Plan and implement the utility's capital improvement and maintenance strategy and operations;
12. Coordinate with risk management division to obtain appropriate insurance coverage for utility property and operations;
13. Set tariff rates and fees for products and services provided by the utility, subject to approval by the assembly;
14. Establish appropriate and reasonable tariff rules for the utility. The existing tariff rules, approved by the Regulatory Commission of Alaska as of the effective date of this section, shall continue in force until changed by the board;
15. Adjudicate formal complaints not resolved by the utility itself;
16. Purchase or otherwise acquire other water or wastewater utilities, subject to Title 25 and assembly approval;
17. Recommend to the assembly revisions to the code the board deems necessary or desirable for the efficient operation of the utility or for the benefit of its customers; and
18. Take all other actions under law it deems necessary to ensure the independent operation and management of the utility, subject to applicable Charter and Code provisions.

C. The board may exercise the power of eminent domain on behalf of the utility subject to prior approval by the Assembly, or if required for an emergency declaration by the mayor, in accordance with Title 25.

D. The board may sell or dispose of utility real property, subject to prior approval of the assembly. Title 25 shall apply to any sale or disposition of utility real property.

E. The board may acquire real property on behalf of the utility, subject to prior approval of the assembly. Title 25 shall apply to any acquisition of real property for the utility by the board.

F. Changes to the utility's tariff shall become effective only after notice, consistent with Chapter 1.25, subject to Section 31.20.030, Rates, Fees, and Charges, unless necessary to protect public health or safety.

(AO No. 2005-107, § 1, 9-13-05; AO No. 2009-44, § 1, 5-12-09)

31.10.040 Meetings of the board of directors.

A. At its first meeting and annually thereafter, the board shall elect a chairman and a vice chairman. The chairman and vice chairman shall serve until their successors are duly elected or appointed.

B. The board shall meet at least once per month. Additional meetings shall be at the call of the chairman or the general manager.

C. Procedures for calling special meetings of the board shall be set in the board's bylaws, and all board meeting notice procedures shall be consistent with the Charter and Section 1.25.015.

D. Four directors shall constitute a quorum for doing business at any meeting of the board, unless there be less than seven directors in office, in which case a quorum shall be a majority of the directors then in office.

(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:

ASU means Anchorage Wastewater Utility.

AWU means Anchorage Water Utility.

Board or Board of Directors means Board of Directors of the Anchorage Water and Wastewater Utility.

Director means a member of the Board of Directors of the Anchorage Water and Wastewater Utility.

General Manager means the General Manager of the Anchorage Water and Wastewater Utility.

Utility means Anchorage Water and Wastewater Utility, which includes both AWU and ASU.

Utility Division Director means AWWU Division Manager.

(AO No. 2005-107, § 1, 9-13-05; AO No. 2009-44, § 1, 5-12-09)

Chapter 31.20 OPERATION AND MANAGEMENT OF THE UTILITY*

*Editor's note: See the editor's note at Title 31 regarding the effective dates of sections in this chapter.

31.20.010 Fiscal management.

31.20.020 Dividend to the municipality.

31.20.030 Rates, fees, and charges.

31.20.040 Utility budget.

31.20.050 Municipal utility service assessment. (Repealed)
31.20.060 Utility borrowing.
31.20.070 Grants to the utility.
31.20.080 Utility audit.
31.20.090 Annual report.
31.20.100 Purchasing and contracts.
31.20.110 Assessments for improvements.
31.20.120 Complaints and appeals.

31.20.10 Fiscal management.

31.20.11

The chief fiscal officer shall be advisor regarding the utility's financial affairs, including but not limited to establishing and maintaining the utility'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 regarding its financial affairs, and the chief fiscal officer and the internal auditor may make recommendations to the utility, the mayor and the assembly regarding the utility's financial affairs. The chief fiscal officer shall be custodian of the utility's funds.

(AO No. 2005-107, § 1, 1-1-07; AO No. 2009-44, § 1, 5-12-09)

31.20.020 Dividend to the municipality.

A. ASU and AWU shall be operated in accordance with prevailing industry practices and in a manner which shall provide dividends to the municipality.

B. The board shall make recommendations to the assembly regarding dividend payments by ASU and/or AWU to the municipality from the previous year, after the audited financial statements of ASU and AWU for that previous year are issued. Dividends may be paid by ASU and/or AWU when dividends do not degrade the financial health, system integrity, and stability of ASU or AWU.

1. When making a recommendation to the assembly the board shall give consideration to indicators of financial health and integrity, including the utility's bond coverage ratio, its debt to equity ratio, the amount of cash reserves on hand before and after the dividend payment, the utility's historical financial trend and expected future financial operations, and any other criteria the board determines is relevant to indicating the financial health and integrity of the utility.

2. When the board recommends payment of a dividend, it shall include with its recommendation a report stating its conclusions following consideration of the indicators of financial health and integrity set out above.

(AO No. 2005-107, § 1, 1-1-06; AO No. 2008-85, § 1, 8-12-08)

31.20.030 Rates, fees, and charges.

A. The board shall recommend tariff rates, fees, and charges imposed by the utility for its products and services to the assembly for approval, and prior to seeking regulatory approvals required under municipal, state and federal law.

B. The board shall establish in its by-laws the procedures for setting the rates, fees, and charges of the utility. The procedures shall include a public hearing for each new or changed rate, fee, charge, rule, regulation, or other tariff provision, and the opportunity for one or more consumer advocates representing ratepayer interests to participate. These procedures shall follow generally water and sewer utility industry standard practices for municipally-owned utilities.

C. Tariff rate, fee, or charge adjustments recommended by the board shall be submitted to the assembly either:

1. As part of the utility's annual budget, after public notice and public hearing for any associated tariff rate, fee, or charge adjustment prior to scheduled assembly budget hearings; or
2. Outside the annual budget process, after public notice and public hearing for associated tariff rate, fee, or charge adjustment.

D. The board may implement a recommended adjustment to tariff rates, fees, or charges following assembly approval of the utility's budget, or assembly approval of the recommended adjustment, if the adjustment is being made outside the budget process.

(AO No. 2005-107, § 1, 1-1-06)

31.20.040 Utility budget.

A. The utility's annual budget, capital improvement budget, capital improvement program and long range financial plan shall be prepared, submitted to the mayor for approval by the assembly, in accordance with Chapter 6.10.

B. The utility shall have the power to expend funds within the budget approved by the assembly subject to appropriation.

(AO No. 2005-107, § 1, 9-13-05)

31.20.050 Municipal utility service assessment. (Repealed)

(AO No. 2005-107, § 1, 9-13-05)

31.20.060 Utility borrowing.

The board of directors may incur debt for the utility subject to Article 15 of the charter, after approval of the assembly of the amount of the debt and the terms and conditions of the borrowing.

(AO No. 2005-107, § 1, 1-1-06)

31.20.070 Grants to the utility.

The board shall have the power to accept grants to the municipality or the utility for water and wastewater projects or improvements, subject to appropriation by the assembly and/or the mayor.

(AO No. 2005-107, § 1, 1-1-06)

31.20.080 Utility audit.

A. The utility shall participate in the annual independent financial audit of the municipality under Chapter 6.40.

B. The board may also commission an independent performance or management audit from time to time.

(AO No. 2005-107, § 1, 1-1-06)

31.20.90 Annual report.

31.20.91

The utility shall make available an annual report to the mayor, the assembly, and its customers covering the operational and financial results from the previous year. The annual report shall be issued not later than 30 days following the publication of the municipality's comprehensive annual financial report. The utility shall annually make a strategic plan available to the mayor, the assembly and its customers.

(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 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 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; AO No. 2009-44, § 1, 5-12-09)

31.20.110 Assessment for improvements.

Assessments of property for the cost of utility improvements shall be governed by Title 19.

(AO No. 2005-107, § 1, 1-1-06)

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 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 30 days after notice of the board's decision has been mailed to the parties. appeals of utility 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; AO No. 2009-44, § 1, 5-12-09)

Chapter 31.30 PERSONNEL*

*Editor's note: See the editor's note at Title 31 regarding the effective dates of sections in this chapter.

31.30.010 Board powers on employment matters.

31.30.020 Appointment of the general manager.

31.30.030 Utility division directors.

31.30.010 Board powers on employment matters.

A. The board shall adopt and recommend to the assembly for approval personnel rules applicable to executive, utility division directors and non-represented employees of the utility. Represented employees shall only be subject to these rules to the extent allowed by their respective collective bargaining agreements or by law. The personnel rules in effect in Title 3 shall remain applicable to utility employees until such time new personnel rules are approved by the assembly.

B. Subject to the approval of any agreements by the assembly, the board shall have the power to negotiate agreements with collective bargaining groups representing some or all of the utility's employees but not employees in other areas of municipal government or municipal enterprise activities. Collective

bargaining agreements covering employees of the utility in effect as of the effective date of this section shall remain in full force and effect in accordance with their respective terms.

(AO No. 2005-107, § 1, 1-1-06/1-1-07)

31.30.020 Appointment of the general manager.

A. The mayor shall appoint the general manager of the utility, subject to confirmation by the assembly. The general manager shall serve at the pleasure of the mayor. Prior to effective date of dismissal, the mayor shall inform the board of reason for dismissal of the general manager. A majority of the board may recommend dismissal of the general manager to the mayor.

B. When a vacancy in the position of general manager occurs, the board shall recommend to the mayor not less than three qualified candidates for the position. The mayor shall appoint the general manager from those candidates recommended by the board.

(AO No. 2005-107, § 1, 1-1-06)

31.30.030 Utility division directors.

The executive utility division managers referenced in Chapter 3.30 shall become utility division directors.

- a. The general manager shall appoint utility division directors subject to confirmation by the board.
- b. Utility division directors shall serve at the pleasure of the general manager and the board. The general manager and a majority of the board shall concur to dismiss a utility division director, except the general manager may dismiss a utility division director for cause without concurrence of the board.
- c. For compensation, a Utility Division Director I is classified as a range 22E and a Utility Division Director II is classified as a range 23E as defined in Section 3.30.174.

(AO No. 2005-107, § 1, 1-1-06)

Chapter 31.40 MISCELLANEOUS PROVISIONS*

*Editor's note: See the editor's note at Title 31 regarding the effective dates of sections in this chapter.

- 31.40.010 Transition plan.
- 31.40.020 Limitation on liability.
- 31.40.030 Exemption from taxes.

31.40.010 Transition plan.

Within 180 days of the effective date of this section, the board shall develop a transition plan and forward it to the assembly for approval. The transition plan may provide for the orderly separation of the utility's functions from those of the municipality generally. The transition plan shall cover the first three years of utility operations and shall be updated on an annual basis during the term of the transition.

(AO No. 2005-107, § 1, 9-13-05)

31.40.020 Limitation on liability.

A. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director, the general manager, an employee, or an agent of the utility, shall be indemnified by the utility to the fullest extent permitted under Alaska state law, the Charter, or this Code. Any determination required or permitted to be made as to any indemnification shall, whenever appropriate and permitted by applicable law, be made by a vote of a quorum consisting of disinterested directors. Any indemnification under this section shall not be deemed exclusive of any other rights to which the person indemnified may be entitled under any provision of law or otherwise, and shall continue as to a person who has ceased to be a director, general manager, employee or agent of the utility and shall inure to the benefit of the heirs, executors and administrators of such person.

B. The utility shall have power, except to the extent prohibited by state law, the charter or the code, to purchase and maintain insurance covering official acts of any person who is or was a director, general manager, or employee of the utility arising out of such official position.

(AO No. 2005-107, § 1, 9-13-05)

31.40.030 Exemption from taxes.

The real and personal property of the utility and its assets, income and receipts are declared to be the property of a political subdivision of the state devoted to an essential public and governmental function and purpose, and the property, assets, income, receipts shall be exempt from all municipal taxes.

(AO No. 2005-107, § 1, 9-13-05)

TITLE 32 MUNICIPAL LIGHT AND POWER UTILITY

- 32.10 General Provisions
- 32.20 Operation and Management of the Utility
- 32.30 Personnel
- 32.40 Miscellaneous Provisions

Chapter 32.10 GENERAL PROVISIONS

- 32.10.010 Establishment.
- 32.10.020 Governing body.
- 32.10.030 Powers of the board of directors.
- 32.10.040 Meetings of the board of directors.
- 32.10.050 Extraterritorial jurisdiction.
- 32.10.060 Definitions.

32.10.010 Establishment.

The Municipal Light and Power Utility, or ML&P, is a department of the Municipality.

(AO No. 2008-90(S), § 1, 1-1-09)

32.10.020 Governing body.

- A. The Municipal Light & Power Utility shall be governed by a board of directors consisting of nine (9) members, appointed by the mayor, subject to confirmation by the assembly. All directors shall be citizens of the United States, and residents of and registered voters in the Municipality of Anchorage, but are not required to be a resident of or owner of property in the area served by the utility. Board members shall be qualified as follows, with preference given to persons with experience in utility matters:
1. Two members shall be members in good standing of the Alaska Bar;
 2. Two members shall be registered professional engineers in Alaska;
 3. Two members shall have experience in finance, accounting, or business administration;
 4. One member shall be a municipal employee; and
 5. Two members shall be at large.
- B. Directors shall serve staggered terms. The first term lengths shall be as follows:

TABLE INSET:

Seats 1 and 2:	1 year
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Seat 3:	2 years
Seat 4:	2 years
Seat 5 and 6:	3 years
Seat 7:	4 years
Seat 8:	4 years
Seat 9:	5 years

After the first term, terms for each seat shall be five years.

C. The general manager of the Municipal Light & Power Utility shall not be a director, but shall serve as executive secretary and staff to the board.

D. The compensation for the Municipal Light & Power Utility board of directors shall be determined by the commission on salaries and emoluments in the same manner as provided for elected officials in Charter Section 5.08.

E. Except as may be inconsistent with the provisions of this title, Chapter 4.05 shall apply to the board.

F. During their terms of office, directors may be removed by the mayor only for cause.

(AO No. 2008-90(S), § 1, 1-1-09)

32.10.030 Powers of the board of directors.

A. The power to operate and manage the Municipal Light & Power Utility shall be vested in the board. In connection with the operation and management of the utility, the board of directors may in general exercise any power unless otherwise provided in the Charter, this Code, or prohibited by state law.

B. Without limiting the generality of the powers conferred upon the board in subsection A., the board may exercise the following powers, or may delegate the powers to the utility's management, and establish policies as necessary to govern management's exercise of those powers:

1. Adopt a seal;
2. Sue and be sued;

3. Annually review the compensation of utility employees, and take such action with respect to utility employees as is required or permitted by the Code;
4. Formulate and adopt policies for the utility, and forward proposed rules and policies to the assembly for approval where required;
5. Adopt, amend and repeal bylaws for the board's internal organization and activities; bylaws regarding notice of meetings shall be consistent with the Charter and Section 1.25.015;
6. Operate, manage, and control, utility land, plant, facilities, personal property, and personnel in accordance with general standards common to utilities, whether public or private, providing the same utility service;
7. To the extent permitted by this Code, operate and manage all of the utility's human resource, payroll, accounts receivable, accounts payable, purchasing, contracting, and other operational or business functions;
8. Act on behalf of the Municipality to obtain rights-of-way necessary or desirable to the utility's services, subject to Title 25;
9. Engage professional services as required; provided, however, the Municipal attorney shall advise and assist the utility and the board on legal matters; the board may obtain other appropriate non-legal professional services as required;
10. Investigate, study, and plan utility facility requirements and service conditions;
11. Plan and implement the utility's capital improvement and maintenance strategy and operations;
12. Coordinate with the risk management division to obtain appropriate insurance coverage for utility property and operations;
13. Set tariff rates and fees for products and services provided by the utility, subject to approval of rates and fees by the assembly; provided, however, the existing tariff rules, approved by the Regulatory Commission of Alaska as of the effective date of this section, shall continue in force until changed by the board;
14. Purchase or otherwise acquire other electric utilities or assets of electric utilities on its own behalf or on behalf of the municipality, subject to Title 25 and assembly approval;
15. Recommend to the assembly revisions to the Code the board deems necessary or desirable for the efficient operation of the utility or for the benefit of its customers; and
16. Take all other actions under law it deems necessary to ensure the independent operation and management of the utility, subject to applicable Charter and Code provisions.

C. The board may authorize and direct the utility's management to exercise the power of eminent domain on behalf of the utility, subject to prior approval by the assembly, or if required for an emergency declaration by the mayor, in accordance with Title 25.

D. The board may authorize and direct the utility's management to sell or dispose of utility real property, subject to prior approval of the assembly. Title 25 shall apply to any sale or disposition of utility real property.

E. The board may authorize and direct the utility's management to acquire real property on behalf of the utility, subject to prior approval of the assembly. Title 25 shall apply to any acquisition of real property for the utility by the board.

F. Changes to the utility's tariff shall become effective only after notice, consistent with Chapter 1.25, subject to Section 32.20.030, Rates, Fees, and Charges, unless necessary to protect public health or safety.

(AO No. 2008-90(S), § 1, 1-1-09)

32.10.040 Meetings of the board of directors.

- A. At its first meeting and annually thereafter, the board shall elect a chair and a vice chair. The chair and vice chair shall serve until their successors are duly elected or appointed.
- B. The board shall meet at least once per month. Additional meetings shall be at the call of the chair or the general manager.
- C. Procedures for calling special meetings of the board shall be set forth in the board's bylaws, and all board meeting notice procedures shall be consistent with the Charter and Section 1.25.015.
- D. Five directors shall constitute a quorum for doing business at any meeting of the board, unless there are less than nine directors in office, in which case a quorum shall be a majority of the directors then in office.

(AO No. 2008-90(S), § 1, 1-1-09)

32.10.050 Extraterritorial jurisdiction.

The utility is authorized, to the fullest extent allowable under state law, to provide electric generation, transmission, and distribution facilities and services, and all ancillary or related facilities or services, outside the boundaries of the Municipality. The powers of the utility provided in this Code may be exercised to regulate the use and operation of electric generation, transmission, and distribution facilities and services, and all ancillary or related facilities or services, provided or located outside the boundaries of the Municipality. All provisions of this Code, and all rules, regulations, procedures, and tariffs promulgated by the utility, apply outside the Municipality to the extent necessary or appropriate for the extraterritorial provision of facilities and services by the utility.

(AO No. 2008-90(S), § 1, 1-1-09)

32.10.060 Definitions.

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

Board or board of directors means the Board of Directors of the Municipal Light & Power Utility.

Director means a member of the Board of Directors of the Municipal Light & Power Utility.

General manager means the General Manager of the Municipal Light and Power Utility.

Utility or Municipal Light and Power Utility or ML&P means the property, facilities, services, and personnel of the municipality used to provide electric utility services under the direction and control of Municipal Light & Power Utility Board of Directors.

(AO No. 2008-90(S), § 1, 1-1-09)

Chapter 32.20 OPERATION AND MANAGEMENT OF THE UTILITY

- 32.20.010 Fiscal management.
- 32.20.020 Revenue distributions.
- 32.20.030 Rates, fees, and charges.
- 32.20.040 Utility budget.
- 32.20.050 Utility borrowing.
- 32.20.060 Grants to the utility.
- 32.20.070 Utility audit.
- 32.20.080 Annual report.
- 32.20.090 Purchasing and contracts.
- 32.20.100 Assessments for improvements.
- 32.20.110 Complaints and appeals.

32.20.010 Fiscal management.

The chief fiscal officer shall be advisor regarding the utility's financial affairs, including but not limited to establishing and maintaining the utility'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 regarding the utility's financial affairs, and the chief fiscal officer and the internal auditor may make recommendations to the board, the mayor and the assembly regarding the utility's financial affairs. The chief fiscal officer shall be custodian of the utility's funds.

(AO No. 2008-90(S), § 1, 1-1-09)

Editor's note: It should be noted that pursuant to AO 2008-90(S), Section 32.20.010 will become effective January 1, 2010.

32.20.020 Revenue distributions.

The utility shall make revenue distributions as provided in Sections 26.10.060 and .065.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.030 Rates, fees, and charges.

- A. The board shall recommend tariff rates, fees, and charges for the utility's products and services to the assembly for approval, and prior to seeking regulatory approvals required under municipal, state, and federal law.
- B. The board shall establish in its bylaws the procedures for setting the rates, fees, and charges of the utility. The procedures shall include a public hearing for each new or changed rate, fee, charge, rule, regulation, or other tariff provision, and the opportunity for one or more consumer advocates representing ratepayer interests to participate. These procedures generally shall follow electric utility industry standard practices for public utilities providing the same utility service.
- C. Tariff rate, fee, or charge adjustments recommended by the board shall be submitted to the assembly either:
 - 1. As part of the utility's annual budget, after public notice and public hearing for any associated tariff rate, fee, or charge adjustment prior to scheduled assembly budget hearings; or
 - 2. Outside the annual budget process, after public notice and public hearing for associated tariff rate, fee, or charge adjustment.
- D. The board may implement a recommended adjustment to tariff rates, fees, or charges following assembly approval of the utility's budget, or assembly approval of the recommended adjustment, if the adjustment is being made outside the budget process.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.040 Utility budget.

- A. The utility's biannual budget, capital improvement budget, and capital improvement program shall be prepared and submitted to the mayor for approval by the assembly, in accordance with Chapter 6.10.

- B. The board shall have the power to expend funds within the budget approved by the assembly subject to appropriation.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.050 Utility borrowing.

The board may incur debt for the utility subject to Article 15 of the Charter, after approval of the assembly of the amount of the debt and the terms and conditions of the borrowing.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.060 Grants to the utility.

The board shall have the power to accept grants to the municipality or the utility for electric projects or improvements, subject to appropriation by the assembly and/or the mayor.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.070 Utility audit.

- A. The utility shall participate in the annual independent financial audit of the municipality under Chapter 6.40.
- B. The board may also commission an independent performance or management audit from time to time.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.080 Annual report.

The board shall make available an annual report to the mayor, the assembly, and the utility's customers covering the operational and financial results of the utility from the previous year. The annual report shall be issued not later than 60 days following the publication of the municipality's comprehensive annual financial report.

(AO No. 2008-90(S), § 1, 1-1-09)

Editor's note: It should be noted that pursuant to AO 2008-90(S), Section 32.20.080 will become effective January 1, 2010.

32.20.090 Purchasing and contracts.

- A. The board shall use the same purchasing and contracting rules and policies for the utility contained in Title 7 until such time new purchasing and contracting

rules are approved by the assembly, except the board shall designate utility positions 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 mayor and the assembly under Title 7, except for the power of the assembly under Section 7.15.100. The board shall report quarterly all contract awards in an informational memorandum to the assembly.
- C. The board 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. 2008-90(S), § 1, 1-1-09)

Editor's note: It should be noted that pursuant to AO 2008-90(S), Section 32.20.090 will become effective January 1, 2010.

32.20.100 Assessment for improvements.

Assessments of property for the cost of utility improvements shall be governed by Title 19.

(AO No. 2008-90(S), § 1, 1-1-09)

32.20.110 Complaints and appeals.

- A. The board shall establish procedures for reviews of formal and informal complaints from customers, and for appeals of decisions on such complaints.
- B. A decision on a formal complaint, which decision was not made by the board, may be appealed to the board within 30 days after notice of the decision has been mailed to the parties.
- C. Decisions of the board on a formal complaint may be appealed to the ombudsman within 30 days after notice of the board's decision has been mailed to the parties.
- D. Appeals of utility decisions not received by the board or the ombudsman, as appropriate, within the time set forth herein, shall be dismissed.

(AO No. 2008-90(S), § 1, 1-1-09)

Chapter 32.30 PERSONNEL

32.30.010 Board powers on employment matters.

32.30.020 Appointment of the general manager.
32.30.030 Utility division managers.

32.30.010 Board powers on employment matters.

- A. The board shall adopt and recommend to the assembly for approval personnel rules applicable to utility division managers and non-represented employees of the utility. Represented employees shall only be subject to these rules to the extent allowed by their respective collective bargaining agreements or by law. The personnel rules in effect in Title 3 shall remain applicable to utility employees until such time new personnel rules are approved by the assembly.
- B. Subject to the approval of any agreements by the assembly, the board shall have the power to negotiate agreements with collective bargaining units representing some or all of the utility's employees but not collective bargaining units representing employees in other areas of municipal government or municipal enterprise activities. Collective bargaining agreements covering employees of the utility in effect as of the effective date of this section shall remain in full force and effect in accordance with their respective terms.
- C. The Board shall set the compensation of the general manager subject to approval by the mayor.

(AO No. 2008-90(S), § 1, 1-1-09)

Editor's note: It should be noted that pursuant to AO 2008-90(S), Section 32.30.010.B will become effective January 1, 2010.

32.30.020 Appointment of the general manager.

- A. The mayor shall appoint the general manager of the utility, subject to confirmation by the assembly. The general manager shall serve at the pleasure of the mayor. Prior to effective date of dismissal, the mayor shall inform the board of the reason for dismissal of the general manager. A majority of the board may recommend dismissal of the general manager to the mayor.
- B. When a vacancy in the position of general manager occurs, the board shall recommend to the mayor not less than three qualified candidates for the position. The mayor shall appoint the general manager from those candidates recommended by the board.

(AO No. 2008-90(S), § 1, 1-1-09)

32.30.030 Utility division managers.

- A. Notwithstanding any other provisions of this title, the utility division managers referenced in Section 3.30.172 shall be appointed by the general manager subject to confirmation by the board.
- B. Utility division managers shall serve at the pleasure of the general manager and the board. The general manager and a majority of the board shall concur to dismiss a utility division manager, except the general manager may dismiss a utility division manager for cause without concurrence of the board.

(AO No. 2008-90(S), § 1, 1-1-09)

Chapter 32.40 MISCELLANEOUS PROVISIONS

32.40.010 Transition plan.

32.40.020 Limitation on liability.

32.40.030 Exemption from taxes.

32.40.010 Transition plan.

Within 270 days of the effective date of this section, the board shall develop a transition plan and forward it to the assembly for approval. The transition plan may provide for the orderly separation of the utility's functions from those of the municipality generally to the extent permitted by this Title 32. The transition plan shall cover the first three years of utility operations and shall be updated on an annual basis during the term of the transition.

(AO No. 2008-90(S), § 1, 1-1-09)

32.40.020 Limitation on liability.

- A. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the utility, shall be indemnified by the utility to the fullest extent permitted under Alaska state law, the Charter, or this Code. Any determination required or permitted to be made as to any indemnification shall, whenever appropriate and permitted by applicable law, be made by a vote of a quorum consisting of disinterested directors. Any indemnification under this section shall not be deemed exclusive of any other rights to which the person indemnified may be entitled under any provision of law or otherwise, and shall continue as to a person who has ceased to be a director of the utility and shall inure to the benefit of the heirs, executors and administrators of such person.
- B. The utility shall have the power, except to the extent prohibited by state law, the charter or the code, to purchase and maintain insurance covering official acts of any person who is or was a director of the utility arising out of such official position.

(AO No. 2008-90(S), § 1, 1-1-09)

32.40.030 Exemption from taxes.

The real and personal property of the utility, including all of its property, assets, income and receipts constitute the property of a political subdivision of the state devoted to an essential public and governmental function and purpose, and the property, assets, income, and receipts shall be exempt from all municipal taxes.

(AO No. 2008-90(S), § 1, 1-1-09)