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Postponed Indefinitely 6/14/11

Prepared by: Assembly Counsel
For reading: May 24, 2011

ANCHORAGE, ALASKA
AO NO. 2011-67

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING CERTAIN SECTIONS WITHIN TITLE 32 OF THE ANCHORAGE MUNICIPAL CODE GOVERNING THE MUNICIPAL LIGHT AND POWER UTILITY (ML&P) TO ENHANCE BUSINESS PRACTICES AND COMMUNICATIONS.

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 32.10.020 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only; other subsections not affected are not set out*):

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 representing the Administration; and
5. Two members shall be at large.

G. When transmitting to the assembly for confirmation the name of appointees to the board, 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 or posted. 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.

AO No. 2008-90(S), § 1, 1-1-09)

Section 2. Anchorage Municipal Code section 32.10.030 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only; other subsections not affected are not set out*):

32.10.030 Powers of the board of directors.

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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:

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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. Annually set compensation levels of general manager and utility division directors in accordance with Chapter 32.30; the compensation of the general manager shall be approved by the mayor;

*** *** ***

9. Engage [PROFESSIONAL SERVICES AS REQUIRED; PROVIDED, HOWEVER,] the Municipal Attorney as the attorney for the Board and utility; and as such 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;

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(AO No. 2008-90(S), § 1, 1-1-09)

Section 3. Anchorage Municipal Code section 32.20.010 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only*):

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. The board shall submit a quarterly financial statement to the chief fiscal officer and the Assembly summarizing the status of the utility's financial affairs.

(AO No. 2008-90(S), § 1, 1-1-09)

Section 4. Anchorage Municipal Code section 32.20.030 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only; other subsections not affected are not set out*):

32.20.030 Rates, fees, and charges.

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

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(AO No. 2008-90(S), § 1, 1-1-09)

Section 5. Anchorage Municipal Code section 32.20.040 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only; other subsections not affected are not set out*):

32.20.040 Utility budget.

A. The utility's annual [BIANNUAL] budget, capital improvement budget, [and] capital improvement program, and a six-year financial plan shall be prepared and submitted to the mayor for approval by the assembly, in accordance with Chapter 6.10. Additionally, the utility will submit the 15-year long range financial plan for both the water and sewer utility to the Assembly.

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(AO No. 2008-90(S), § 1, 1-1-09)

Section 6. Anchorage Municipal Code section 32.20.080 is hereby amended to read as follows (*ordinance language indicating no amendment is included for context only*):

32.20.080 Annual and quarterly reports.

- A. 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. The utility shall annually make a strategic plan available to the mayor, the assembly and its customers.
- B. The Utility shall report quarterly, in an information memorandum, to the Mayor and the Assembly, an activity report to include: activities by Utility division, program management progress report on asset management, and a financial statement summarizing the status of the Utility's financial affairs.
- C. The Board shall request a Work Session with the Assembly after submittal of the annual report. The Board will report on the key elements of the Utility's performance, its challenges and their relationship to Utility planning.

(AO No. 2008-90(S), § 1, 1-1-09)

Section 7. Anchorage Municipal Code section 32.20.110 is hereby amended to read as follows (*other subsections not affected are not set out*):

32.20.110 Complaints and appeals.

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- E. will report quarterly all complaints and appeals in an informational memorandum to the mayor and Assembly. The Board

(AO No. 2008-90(S), § 1, 1-1-09)

Section 8. Anchorage Municipal Code section 32.30.010 is hereby amended to read as follows (*ordinance language proposed for deletion is [BRACKETED IN ALL CAPITAL LETTERS] and new language is underlined*):

32.30.010 Board powers on employment matters.

- 1 A. The board shall use the same personnel rules applicable to executive, utility
2 division directors, and non-represented employees of the utility, contained in
3 Title 3, except as modified in Title 32.
4

5 [THE BOARD SHALL ADOPT AND RECOMMEND TO THE ASSEMBLY FOR APPROVAL
6 PERSONNEL RULES APPLICABLE TO UTILITY DIVISION MANAGERS AND NON-
7 REPRESENTED EMPLOYEES OF THE UTILITY. REPRESENTED EMPLOYEES SHALL ONLY
8 BE SUBJECT TO THESE RULES TO THE EXTENT ALLOWED BY THEIR RESPECTIVE
9 COLLECTIVE BARGAINING AGREEMENTS OR BY LAW. THE PERSONNEL RULES IN EFFECT
10 IN TITLE 3 SHALL REMAIN APPLICABLE TO UTILITY EMPLOYEES UNTIL SUCH TIME NEW
11 PERSONNEL RULES ARE APPROVED BY THE ASSEMBLY.]
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- 13 [B. SUBJECT TO THE APPROVAL OF ANY AGREEMENTS BY THE ASSEMBLY, THE BOARD
14 SHALL HAVE THE POWER TO NEGOTIATE AGREEMENTS WITH COLLECTIVE BARGAINING
15 UNITS REPRESENTING SOME OR ALL OF THE UTILITY'S EMPLOYEES BUT NOT COLLECTIVE
16 BARGAINING UNITS REPRESENTING EMPLOYEES IN OTHER AREAS OF MUNICIPAL
17 GOVERNMENT OR MUNICIPAL ENTERPRISE ACTIVITIES. COLLECTIVE BARGAINING
18 AGREEMENTS COVERING EMPLOYEES OF THE UTILITY IN EFFECT AS OF THE EFFECTIVE
19 DATE OF THIS SECTION SHALL REMAIN IN FULL FORCE AND EFFECT IN ACCORDANCE
20 WITH THEIR RESPECTIVE TERMS.]
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- 22 B [C]. The Board shall set the compensation of the general manager subject to
23 approval by the mayor.
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25 (AO No. 2008-90(S), § 1, 1-1-09)
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27 **Section 9.** This ordinance shall become effective immediately upon passage and approval
28 by the Assembly.
29

30 PASSED AND APPROVED by the Anchorage Assembly this ____ day of
31 _____, 2011.
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33
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35 _____
36 Chair

37 ATTEST:
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Municipal Clerk