

**ANCHORAGE, ALASKA
AR 2026 - 82**

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REVISING AND APPROPRIATING FUNDS FOR THE 2026 MUNICIPAL UTILITIES / ENTERPRISE ACTIVITIES OPERATING AND CAPITAL IMPROVEMENT BUDGETS.

WHEREAS, in accordance with Anchorage Municipal Code section 6.10.045, the Assembly may alter the Municipal Utilities / Enterprise Funds capital budget/capital program by majority vote; and

WHEREAS, the 2026 operating and capital improvement budgets / programs for the Municipal Utilities / Enterprise Funds were approved per AO 2025-108 and became effective January 1, 2026; and

WHEREAS, the Mayor has recommended revisions to the Municipal Utility / Enterprise activity departments and fund appropriations for 2026; now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The amounts set forth for the 2026 fiscal year budgets are hereby revised and appropriated:

Fund	Utility / Enterprise	Approved Budget	Revision	Revised Budget
531000	Anchorage Hydropower Utility	\$ 5,804,160	\$ 22,975	\$ 5,827,135
550000	Anchorage Wastewater Utility	56,511,182	756,808	57,267,990
550300	ASU - Reimbursable	1,000,000	-	1,000,000
540000	Anchorage Water Utility	54,932,692	860,469	55,793,161
540300	AWU - Reimbursable	1,000,000	-	1,000,000
570000	Don Young Port of Alaska	28,338,998	3,924,990	32,263,988
580000	Municipal Airports - Merrill Field	2,992,676	7,112	2,999,788
562000	Solid Waste Disposal	31,324,542	4,930,353	36,254,895
563000	Solid Waste Landfill Liability/Closure Care	-	5,255,000	5,255,000
560000	Solid Waste Refuse Collections	16,889,258	757,708	17,646,966
	Utility/Enterprise Operating Appropriation	<u>198,793,508</u>	<u>16,515,415</u>	<u>215,308,923</u>

Section 2. The amounts set forth for the 2026 Municipal Utilities / Enterprise Activities Capital Improvement Budgets for the municipal utilities / enterprise activities are hereby revised as described in the attached Assembly Memorandum.

Section 3. The following capital activities' funding sources are available and are hereby appropriated for the 2026 Municipal Utilities/Enterprise Activities in amounts not to exceed, as follows:

Fund	Utility / Enterprise	Approved Budget	Revision	Revised Budget
531200	Anchorage Hydropower Utility	\$ 325,000	\$ 1,921,760	\$ 2,246,760
550200	Anchorage Wastewater Utility	30,720,000	-	30,720,000
540200	Anchorage Water Utility	27,420,000	-	27,420,000
570000	Don Young Port of Alaska	7,475,000	-	7,475,000
580000	Municipal Airports - Merrill Field	74,000	-	74,000
562200	Solid Waste Disposal	9,900,000	4,920,000	14,820,000
560200	Solid Waste Refuse Collections	700,000	950,000	1,650,000
	Utility/Enterprise Capital Appropriation	<u>76,614,000</u>	<u>7,791,760</u>	<u>84,405,760</u>

1 **Section 4.** The appropriations made by this resolution are in addition to any other appropriation
2 provided for by law for Fiscal Year 2026.

3
4 **Section 5.** This resolution shall take effect immediately upon passage and approval by the Assembly.

5
6 PASSED AND APPROVED by the Anchorage Assembly this 28th day of April, 2026.

7
8
9 *Christopher Constant*

10
11 ATTEST:

Chair

12
13
14 *Janie Stem*

15
16 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

AM No. 236-2026

Meeting Date: April 14, 2026

1 **FROM: MAYOR**

2
3 **SUBJECT: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE**
4 **REVISING AND APPROPRIATING FUNDS FOR THE 2026**
5 **MUNICIPAL UTILITIES / ENTERPRISE ACTIVITIES OPERATING**
6 **AND CAPITAL IMPROVEMENT BUDGETS.**
7

8 **The accompanying Assembly Resolution revises and appropriates the Municipal**
9 **Utilities / Enterprises Activities 2026 Operating Budgets for the following reasons:**

- 10
11 • Adjust the Municipal Utility/Enterprise Service Assessments as appropriate; and
12 • Adjust IGCs (charges to/from others); and
13 • Adjust revenues for updated projections; and
14 • Adjust personnel and benefit costs in line with collective bargaining agreements or
15 current wage costs.
16

17 **The following significant changes to the Municipal Utilities / Enterprises Activities**
18 **2026 Operating Budgets are summarized: (the total appropriation amount includes**
19 **the above contractual changes in combination with the revised significant changes**
20 **below)**

21
22 Anchorage Wastewater Utility Fund (550000)

- 23 • Bank Fees - \$77,500
24 • Customer Information System – Professional Services - \$165,613
25 • Computer Hardware Systems - \$75,650
26 • Computer Software Systems - \$110,835
27 • Incinerator – Professional Services - \$187,450
28

29 Anchorage Water Utility Fund (540000)

- 30 • New Treatment Plant Operator, Part-Time Field Inspector to Full-Time, upgrades to
31 various positions - \$254,234
32 • Grounds Maintenance – Professional Services - \$50,000
33 • Facility Upgrades - Professional Services - \$25,000
34 • Bank Fees - \$77,500
35 • Customer Information System – Professional Services - \$165,614
36 • Computer Hardware Systems - \$78,450
37 • Computer Software Systems - \$130,367
38

39 Don Young Port of Alaska Fund (570000)

- 40 • Interest Expense on Bonded Debt \$1,375,624 and Debt Issuance Costs - \$2,324,000
41 • New Deputy Director Full-Time (Half Year), New Petroleum Operations Manager Full-
42 Time (Half Year), New Port Maintenance Journeyman Full-Time (Half Year), Reduce

1 Program & Policy Director (Half Year), Reduce Finance Manager, and upgrades to
 2 various positions - \$188,341

3
 4 Solid Waste Services (SWS) Disposal Utility Fund (562000)

- 5 • Household Hazardous Waste - \$800,000
- 6 • Gas Collection System Operations & Maintenance - \$1,200,000
- 7 • State of Alaska FEMA Reimbursement - \$181,600
- 8 • Healthy Spaces Surcharge to Parks & Recreation Department - \$2,000,000
- 9 • Anchorage Regional Landfill (ARL) Leachate Maintenance Service - \$300,000
- 10 • Scale House Furniture - \$7,500
- 11 • Collaborative Safety Program - \$68,400
- 12 • Scale Heaters - \$27,000
- 13 • Performance Management Systems – Professional Services - \$81,600

14
 15 SWS Landfill Liability Closure/Care Fund (563000)

- 16 • Transfer to Other Funds - Disposal - \$5,200,000
- 17 • Managerial Fees/Closure Modeling - \$55,000

18
 19 SWS Refuse Collections Utility Fund (560000)

- 20 • Disposal Charges - Tipping Fees Increase/ Healthy Spaces Surcharge (Portion) -
 21 \$500,000
- 22 • Maintenance Equipment - \$35,000
- 23 • Collaborative Safety Program - \$45,600
- 24 • Performance Management Systems – Professional Services - \$54,400

25
 26 **The following Municipal Utilities / Enterprises Activities 2026 Capital Improvement**
 27 **Budgets/Programs (CIB/CIP) are revised as follows:**

28
 29 Anchorage Hydropower Utility Capital Projects Fund (531200) revising equity funded
 30 projects

- 31
 32 • Add: Pump Storage Hydropower - \$700,000

33 Concept designs will define key technical components of the previously selected project
 34 alternatives. Designs will be developed to a 10–15% level of project definition and related
 35 cost estimates. Completed concept designs will be presented to the Adaptive Management
 36 Committee for evaluation and recommendations to project Owners and the State of Alaska.
 37 Current work focuses on pumped-storage hydropower alternatives to manage Eklutna Lake
 38 water levels, restore river flows for fish passage, and increase power production. Work
 39 includes evaluating continuous water supply to the Eklutna River and enabling fish passage
 40 to and from the lake. The overall work effort is expected to take approximately 6 to 8
 41 months.

- 42
 43 • Add: Full River Restoration Project - \$860,000

44 The overall objective is to determine, evaluate, and recommend actions that restore and
 45 sustain continuous, river-length flows and reestablish a resilient, self-sustaining fishery. The
 46 work shall address restoration of natural hydrology; enhancement of spawning and rearing
 47 habitat; and development of infrastructure, fish-passage systems, and habitat
 48 improvements necessary to reintroduce, enhance, maintain, and grow thriving populations
 49 of all five species of Pacific salmon and other native resident and anadromous fish from
 50 headwaters to tidal confluence. The analyses and recommendations shall preserve the
 51 integrity and reliability of Anchorage's potable water supply and maintain hydropower

1 generation capacity, balancing fisheries restoration with system safety, operability, and
2 long-term asset stewardship.

3
4 • Add: Generation Unit Controls - \$361,760

5 Turbine maintenance is based on historical operating experience and in accordance with
6 the manufacturers' recommended maintenance schedule based on the number of hours a
7 unit runs.

8
9 Don Young Port of Alaska Capital Projects Fund (570800) – net zero revisions to equity
10 funded projects

11
12 • Increase: Wharf Pile Enhancements – \$2,550,000 – Additional funding is requested to
13 provide capacity for repairs that may be required due to 2025 winter damage affecting
14 wharf and fender piles uncovered during spring inspections. Because the wharf is a
15 critical operational asset, this increase will help ensure the Port can respond to
16 emergent conditions, maintain safe operations, protect structural integrity, and reduce
17 the risk of interruption to cargo movement and waterfront use. Increase this project by
18 \$2,550,000, from \$2,500,000 in 2026 approved Capital Improvement Budget to
19 \$5,050,000.

20
21 • Add: Security System Enhancements – \$450,000 - This project will replace an outdated
22 access control system that is no longer sufficient for current operational and security
23 needs. The project will improve access control capabilities, strengthen the Port's overall
24 security posture, and support continued safe and compliant operations for tenants,
25 users, and critical cargo activity.

26
27 • Remove: Port of Alaska Valve Enhancements – (\$1,500,000) – The Valve Yard
28 Enhancements project is not recommended for funding in 2026 because the timing,
29 scope, and implementation approach are still being evaluated. Deferring this funding
30 allows the Port to avoid advancing budget authority ahead of project readiness and
31 redirects available capacity to more immediate infrastructure needs.

32
33 • Reduce: Storm Drain Enhancements – (\$1,500,000) - Two storm drain projects are
34 already underway and are being funded through grants, so the additional reserve
35 funding previously included for future storm drain work is not needed in 2026. This
36 reduction better aligns the capital budget with current project activity while preserving
37 sufficient funding for active storm drain efforts. \$1,000,000 remains available for this
38 project from the 2026 approved Capital Improvement Budget.

39
40 SWS Disposal Utility Capital Projects Fund (562200)

41 • Add: Loader Snowblade - \$20,000

42 This new blade will help the operators manage snowfall at the landfill and minimize
43 downtime for staff and customers at the facility during the winter months.

44
45 • Add: Wilkins Transfer Trailers - \$400,000

46 These trailers are direct replacements for current trailers in the fleet at the end of their
47 serviceable life. SWS utilizes Wilkins Trailers to haul 80% of landfill refuse from the
48 Central Transfer Station to the Regional Landfill daily.

49
50 • Add: Waste to Energy - \$4,500,000

51 Solid Waste Services (SWS), in collaboration with the Anchorage Water and
52 Wastewater Utility (AWWU), has initiated a Waste-to-Energy (WTE) project to explore

1 sustainable solutions for waste management while generating renewable energy. The
 2 allocated SWS budget of \$4.5 million will support the initial phases of this important and
 3 strategic project. This initial phase is critical to laying the foundation for a successful
 4 WTE facility, ensuring regulatory compliance, technical viability, and financial feasibility.
 5 \$4.5 Million of this funding is anticipated to come from proceeds related to rebalancing
 6 the ARL Closure and Post Closure Care Fund. Waste to Energy would provide modern
 7 solutions for many issues surrounding waste management, which would benefit MOA
 8 citizens/customers and possibly other Alaskan Railbelt communities, while also
 9 generating renewable energy for consumption. This project will also greatly extend the
 10 useable life of the Anchorage Regional Landfill.

11
 12 SWS Refuse Collections Utility Capital Projects Fund (560200)

13 • Add: Refuse Collection Trucks - \$950,000

14 Refuse Collection Utility is requesting \$950,000 for the purchase of replacement two
 15 additional refuse collection side-loader trucks. These trucks are replacements for
 16 current trucks in the fleet at the end of their serviceable life. Additional staff time will be
 17 required to service older trucks in fleet and could cause downtime for refuse collection
 18 truck drivers and potentially impact residents within the service area. Replacing older
 19 trucks should avoid these costly delays and repairs.

20
 21 Previously approved budget documents are available at the following site:

22
 23 <http://www.muni.org/Departments/budget/Pages/default.aspx>
 24

25 Budget revisions included in the attached resolution will be made available at the above-
 26 mentioned site after Assembly approval.

27
 28 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

29
 30 Prepared by: Office of Management & Budget (OMB)
 31 Approved by: Ona R. Brause, OMB Director
 32 Concur: Eva Gardner, Municipal Attorney
 33 Concur: Philippe D. Brice, Chief Fiscal Officer
 34 Concur: William D. Falsey, Chief Administrative Officer
 35 Concur: Rebecca A. Windt Pearson, Municipal Manager
 36 Respectfully Submitted: Suzanne LaFrance, Mayor