2023 Proposed

Municipal Utilities / Enterprise and Anchorage Community Development Authority Operating and Capital Budgets

Municipality of Anchorage, Alaska

Dave Bronson, Mayor

Municipality of Anchorage

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Municipality of Anchorage
Mayor Dave Bronson

September 30, 2022

Dear Residents:

Enclosed are the 2023 Municipal Utilities and Enterprise Departments' operating budgets, as well as their respective 2023 capital budgets and program.

Solid Waste Service's new Central Transfer Station is nearing completion in March 2023. This new central transfer station will provide a greater level of safety and ease of access for residents when disposing of trash or recycling.

The Municipality secured $100 million in State funds for the Port of Alaska, with an additional $100 million allocated for the Port should the Municipality secure matching federal grants. The Petroleum and Cement Terminal has reached completion. This critical modernization program continues to make progress toward food security and stability for all Alaskans.

We hired a new Airport Manager for Merrill Field, and that facility remains the second busiest airport in Alaska. Municipal-owned utilities provide businesses and residents safe drinking water and a mechanism for waste collection and disposal that is efficient and effective. We must thank the hard-working Municipal employees of these utilities for their dedication to the residents of Anchorage.

Regards,

Dave Bronson
Mayor of Anchorage

MUNICIPALITY OF ANCHORAGE

DAVE BRONSON, MAYOR

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OFFICE OF MANAGEMENT & BUDGET

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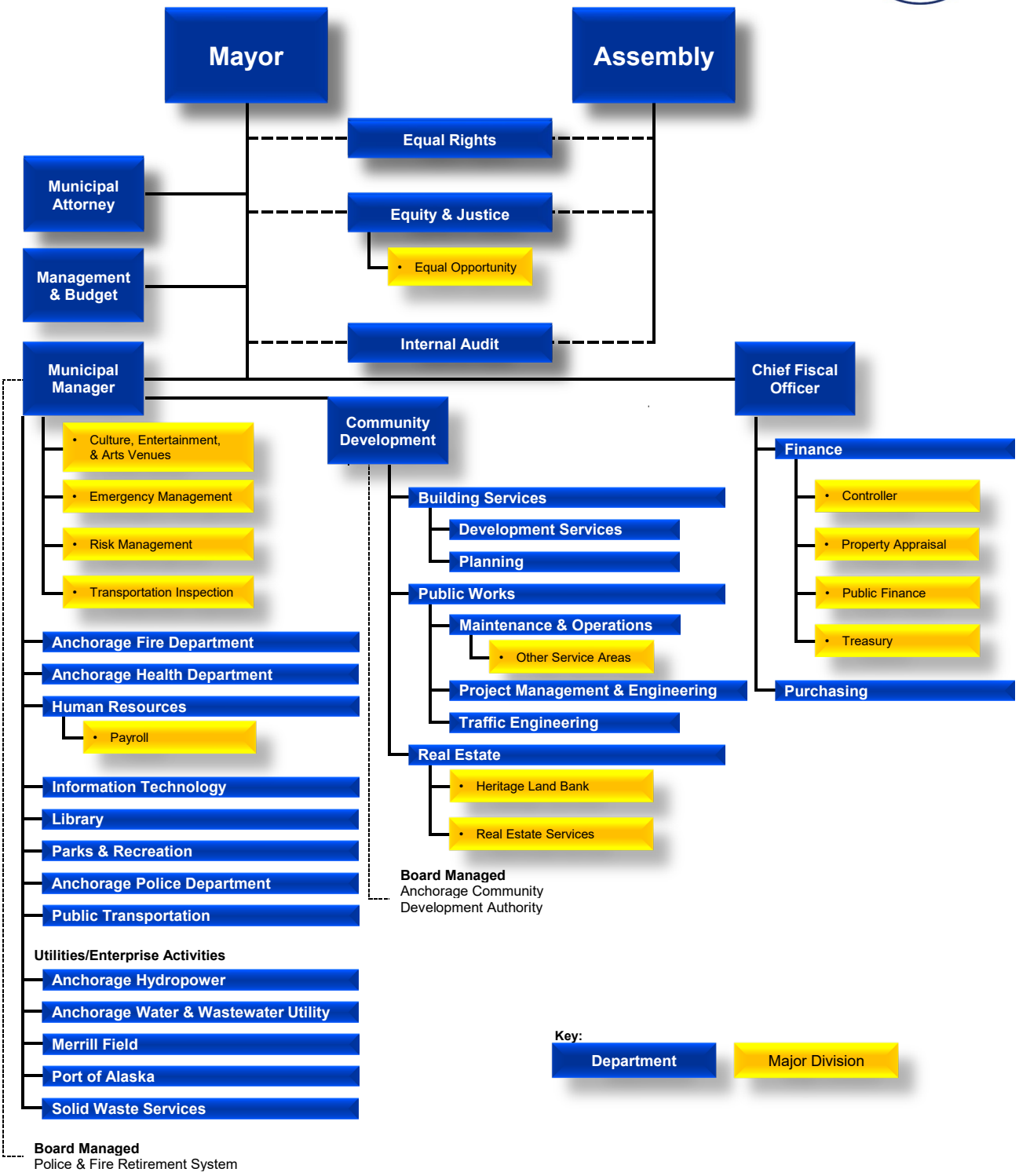
Municipality of Anchorage



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Utility/Enterprise Budget Overview

Utility/Enterprise Departments
Anchorage Hydropower, Anchorage Water & Wastewater (AWWU), and Solid Waste Services (SWS) are utility departments; Merrill Field Airport and the Port of Alaska (Port) are enterprise departments. Many of the basic services Anchorage residents rely on daily: safe water, power generation, safe and efficient delivery of goods, come from municipal-owned utilities and enterprise departments.

The goal of the utilities/enterprise departments is to continue to provide quality service at reasonable rates. These departments continue to meet debt service requirements, prudently increase equity, adequately maintain cash reserves, and generate sufficient revenue to maintain their plants in good working condition. The primary source of revenue required to support the operating and capital budget comes from rate payers or users of their respective services. The budget is presented for a calendar year, in line with the Municipality's fiscal year.

Governance
The authority for operation and management of the utility/enterprise departments is under the control of the Mayor. The Municipal Manager and Deputy Municipal Manager are responsible to manage, direct, and ensure policy and procedures are followed. The Director of each department is responsible to manage and report on each section within.

Assembly Enterprise and Utility Oversight Committee-of-the-Whole – This committee of Assembly members reviews and makes recommendations regarding the operations and budgets of the Municipality's five enterprise and utility departments.

AWWU Board of Directors (AMC 4.80.020) – established to provide guidance to the Mayor and Assembly in regards to AWWU's strategic plan, long term fiscal plan, budget, tariff rates, and fees.

Eklutna Operating Committee (EOC) – of which the Municipality is a member, reviews the engineering and operating reports, maintenance schedules, and other information about the condition of the generation assets of the Eklutna Power Project (the Project). The EOC develops a five-year capital plan and approves a current year capital project budget based on need, available resources, and schedule. The Municipality's percentage of ownership is presented in the Anchorage Hydropower Utility.

Municipal Airports Aviation Advisory Commission (AMC 4.60.160) – Merrill Field Airport established this commission to provide recommendations to the Mayor and Assembly on all matters pertaining to the annual operating budget, rules, regulations, and administrative guidelines. This commission shall terminate on October 14, 2024, unless affirmatively continued by the assembly in accordance with AMC 4.05.150.

Regulatory Commission of Alaska (RCA) – regulates Anchorage Hydropower Utility and AWWU by approving all rates and tariffs prior to implementation. They also regulate service areas and quality.

Solid Waste and Recycling Advisory Commission (AMC 4.70.010, 4.70.040) – requires SWS establish a commission to provide guidance to the Mayor and Assembly in regards to each

entity's strategic plan, budget, policies, economic impacts, expansions, and improvements. Furthermore, they will conduct public input hearings when deemed appropriate on matters pertaining to recycling, composting, and waste reduction, including but not limited to: services, rates, and regulations, assist with public outreach and education on the topics of recycling, composting, and waste reduction.

Utility/Enterprise Accounting
The full accrual basis of accounting is used for utility/enterprise departments and they are categorized as Enterprise type funds. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized in the period incurred, if measurable.

Utility/Enterprise Expenses
Operating expenses are incurred from the operations of the department, it reflects the cost of doing business. Non-Operating expenses are incurred by activities outside of operations such as: interest expense, debt issuance costs, amortization and/or depreciation type activities.

Function cost by fund: this budget is the legal level of appropriation and includes interfund charges for general government services added to the manageable direct cost budget. Actual expenses may not exceed function cost budget appropriations at the enterprise and utility fund levels (AMC 6.10.036).

The manageable direct cost budget consists of several categories: labor (salaries and benefits); non-labor (supplies, travel, contracts, dividends, etc.); contributions; debt service; and non-cash accounts such as; depreciation and amortization, which are not appropriated. Each department is responsible for managing and monitoring their respective budget at these category levels.

Non-cash accounts are not appropriated, these accounts are used to internally account for future items, where cash is not actually being paid out of the Municipality. For example, depreciation and amortization. These accounts are budgeted, reported, and controlled separately.

Municipal Utility/Enterprise Service Assessment (MUSA/MESA)
Each year, payments-in-lieu of taxes are included in the operating budgets for the utility/enterprise departments to cover the cost of tax supported services they receive, other than services received on a contract or interfund basis. It is the public policy to require the utilities (AWWU and SWS) to pay a municipal utility service assessment (MUSA). Merrill Field and the Port are required to pay a municipal enterprise service assessment (MESA). Anchorage Hydropower is not held to this requirement, as the assets are outside of the Municipal rate payers service area.

The MUSA shall be calculated by applying the millage rate established annually for each service area by the assembly to the net classified plant in service as of January 1 of the current year of each utility. Net book value of plant will be the MUSA basis for the refuse collection utility and solid waste disposal utility. The millage rate so established will be that rate assessed other owners of real, personal and business property in each service area. Payment must be made on or before July 15th of each calendar year. (AMC 26.10.025)

The MESA shall be calculated by applying the value of adjusted plant in service multiplied by the annual mill rate. Adjusted plant in service means the final, year-end, audited net classified non-contributed plant in service value, less exclusions specified, for the calendar year preceding

the mill rate year. Payment shall be made on the first business day of July of each calendar year. (AMC 11.50.280)

Revenue distribution from the Anchorage Hydropower Utility (AMC 26.10.068)

A. The Anchorage Hydropower utility shall pledge and distribute to the MOA Trust Fund revenue received pursuant to that certain Eklutna Power Purchase Agreement Between Chugach Electric Association, Inc. ("Purchaser") and Municipality of Anchorage ("Seller"), dated December 28, 2018, by and between the Municipality and Chugach Electric Association, Inc., as amended.

B. If the Anchorage Hydropower utility has or is anticipated to have net income accruing from its operations in any year in addition to revenue received from Chugach Electric Association, Inc. and pledged to the MOA Trust Fund under subsection A. of this section, a portion of the net income may be pledged by inclusion in the respective municipal utility and general government budgets for the subsequent year. The pledged amount shall be described as "Utility Revenue Distribution from Anchorage Hydropower." Payment of any approved and budgeted utility revenue distribution shall be made in two equal payments on or before the 15th calendar day of August and October of such subsequent year only after the income has been collected by the municipality pursuant to lawful authority and the annual audit has been completed, or is substantially complete. The amount of utility revenue distribution for the subsequent year may equal or exceed the change in net operating position for the prior year; provided, however, that the utility retain sufficient reserves: 1. To meet anticipated capital and operating expenses; and 2. As required by the Regulatory Commission of Alaska.

Utility/Enterprise Revenues

Operating revenues are generated by providing a service. Non-Operating revenues are earned by investments, or other non-significant sources such as the gain/loss on the sale of an asset. Utility/enterprise departments are operated in a manner as to provide a reasonable profit in accordance with applicable regulatory provisions and law.

Surplus revenues from operations are to be reinvested in the department. If a municipal utility has or is anticipated to have net income accruing from its operations in any year, a portion of the net income may be pledged by inclusion in the respective municipal utility and general government budgets for the subsequent year. The pledged amount shall be described as “Utility Revenue Distribution.”

The Assembly shall hold a public hearing as part of the annual budget process on the proposed Utility Revenue Distribution and use of funds. Payment of any approved and budgeted Utility Revenue Distribution shall be made in two equal payments on or before the 15th calendar day of August and October of such subsequent year only after the income has been collected by the municipality pursuant to lawful authority and the annual audit has been completed. (AMC 26.10.065).

All requested rate changes to utility tariffs shall be brought to the assembly by ordinance for review and approval for submission to the state public utilities commission. (AMC 26.10.035)

Budget Appropriations, Transfers, Reductions

The purpose of an appropriation is the request to expend. The Mayor must approve departmental requests for appropriations, prior to obtaining approval from the Assembly.

Operating appropriations that are not expended, encumbered, or designated to be carried over, lapse at the end of the fiscal year. Revenue budgets are not appropriated and are calculated based upon approved rates, tariffs, etc.

No appropriation may be reduced by more than the amount of the then unencumbered balance.

If the Mayor determines that revenues will be less than appropriations for a fiscal year, the Mayor shall so report to the assembly. The Mayor may transfer all or part of any unencumbered balance between categories within an appropriation. (Charter 13.06)

The Assembly may transfer part or all of any unencumbered balance from one appropriation to another. (Charter 13.06) The assembly may reduce appropriations as it deems necessary.

The Assembly may, by resolution, reduce or increase appropriations during the course of the fiscal year. A resolution reducing or increasing appropriations by an amount in excess of $500,000 shall be subject to a public hearing (AMC 6.10.085).

The Office of Management & Budget (OMB) is authorized to transfer budget amounts within the appropriated departments and funds. In operating funds, budget transfer requests must be approved by the Municipal Manager, CFO, and OMB Director if:

- exceed $10K (expenditures, IGCs, or revenues)
- include labor (salaries and wages) accounts
- include travel accounts

Utility/Enterprise Capital

The Municipality has two documents that govern planning and funding of capital projects:

- Capital Improvement Budget (CIB) – identifies projects and funding sources for the upcoming fiscal year; and
- Capital Improvement Program (CIP) – a longer-term outlook that identifies projects for the next six years, including the upcoming fiscal year.

Once approved by the Assembly, the amount of specific appropriations, project descriptions, and budget years for individual projects within the CIB/CIP are considered permanent legislative actions of the Assembly and may be altered in subsequent years only by majority vote of the Assembly (AMC 6.10.045).

The funding sources that are obtained for the capital projects could be: debt, State/Federal grants, and/or equity. Most utility/enterprise department capital projects are funded by equity, but can be funded by multiple sources.

Budget Planning and Timeline

The Mayor is required to submit the proposed enterprise/utilities operating and capital budgets to the Assembly 90 days prior to the end of the fiscal year (October 2nd) (AMC 13.03).

Prior to that (120 days prior to the end of the fiscal year), the Administration is required to provide preliminary information on the capital budget/capital program, business plans, update to utility/enterprise strategic plans, and major reorganizations (AMC 6.10.040).

Key Dates in Budget Process	
Summer	Preliminary budget information gathered
September 2	Preliminary budget information to Assembly
October 2	Mayor proposed budgets
October, November	Assembly deliberates, holds public hearings
December	Deadline for Assembly approval
April	First Quarter budget revisions

Preparation of the budget starts much earlier. A preliminary planning phase gets underway in the summer. OMB works with departments in reviewing their programs and responsibilities, assessing what is being done during the current year, and assisting in making plans for the next budget year in line with Administration goals. Some considerations during this phase are:

- Contractually obligated increases, such as labor contracts and health insurance premiums;
- New facilities that will open during the next fiscal year that will require staff, supplies, and other operating expenses;
- New responsibilities or programs required by Federal, State, or local laws;
- New or changed programs to meet community needs or interests;
- Programs that can be eliminated because they are ineffective, no longer required, or desired; and/or
- Efficiencies and savings that can be achieved through organizational management.

During this period of time, OMB also reviews projected revenue information in order to get an early indication of the Municipality's ability to afford current spending levels and/or the potential need for reductions.

Mayor Proposes/Assembly Appropriates

The Mayor submits the proposed operating and capital budgets to the Assembly in early October, the Assembly holds public work sessions at which the Administration and department directors discuss the Mayor's proposal.

Public Comment

The budget books are available on the Office and Management and Budget's website: http://www.muni.org/Departments/budget/Pages/default.aspx for the public to view. The Assembly is required to hold two public hearings on the Mayor's proposed budget, which is the official opportunity for the public to comment and for the Assembly to consider amendments. These are usually held during October and November. The Anchorage Charter requires that the Assembly approve the budget 21 days before the end of the year (by December 10). But if for some reason they still have not reached agreement, the Charter was amended to allow the Assembly and Mayor to continue to work. Once agreement is reached, that budget is known as the "Approved Budget."

Veto Process
The Mayor has the ability to strike or reduce an appropriation in the operating or capital budget within 7 days from Assembly action. The Assembly then has 21 days from the Mayor's veto to override his/her action and must have a super-majority of 8 Assembly members to be successful. If a veto is sustained, the Mayor's action is implemented (AMC 5.02.c).

First Quarter Budget Amendments
During the spring following the budget's approval, the Administration finalizes the prior year's spending numbers and firms up revenues available to support the current year budget. This process, called "First Quarter Budget Amendments," takes place in April and May and results in the Assembly's approval of a "Revised Budget."

Unlike the proposed budget process in the fall that requires two public hearings, the first quarter amendment process only requires one public hearing and usually is at the Assembly meeting that follows the Mayor's introduction of the proposed amendments.

Based on these final spending decisions for general government, the Assembly then sets the tax rates for each service area.

Budget Monitoring, Controls, and Reporting
Each utility/enterprise department is responsible for managing and monitoring their respective budget at the spending category levels. Department directors also monitor their program performance measures throughout the year to ascertain if goals are being met.

Actual expenditures in a fiscal year that consume operating budgets may not exceed the function level budget appropriations by fund; which is all spending categories within a fund. At the end of the fiscal year, actual expenditures less revenues fall to fund balance. Some of the fund balance (equity) is transferred to the capital fund to support capital projects. There are also other requirements on minimum fund balance reserves that are defined in the annual financial statements. The capital budget is controlled by fund, division, and project.

P.V.R. – Performance.Values.Results. Performance measures and corresponding data for each program, as identified by each department, are reported quarterly to communicate and demonstrate the results and effectiveness of the program in achieving its stated purpose and to accurately capture the costs to deliver the intended results (AMC 6.40.016).
The last assembly meeting prior to June 30 of each year, the Mayor provides a memorandum to the assembly identifying the frequency, data, and format of the reporting requirements (AMC 6.40.015).

Currently, spending reports are provided quarterly to the assembly by spending category; labor, overtime, non-labor expenditures, travel, contributions to others, and revenues compared to budget. An explanation is required for any variance of +/-5%. Budget to actuals report for travel and the contributions to nonprofit organizations are provided to the Assembly, separately (AMC 6.10.034).

Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
DRAFT 2023 Budget Preparation Calendar at August 18, 2022

Action	Due Date	Ref	Category
Community Council Surveys Available Online	25-Mar		Capital
Rollover of QuesticaBudget (prior-year revised to budget-year proposed operating and capital)	1-Jun		All
Community Council Surveys due to OMB	15-Jun		Capital
Questica budget available to departments	6-Jul		All
OMB distributes Mayor's guidance and priorities to departments to include: operating, O&M schedules, Service Area budgets, PVRs, and CIB/CIP etc.	6-Jul		All
Trainings - QB, Mayor's guidance, Budget Process, etc.	Jul 6 - 29		All
Controller to provide OMB for all departments: interfund loan schedules	29-Jul		All
Public Finance to provide OMB for all departments: bond P&I projections, debt schedules, bond payouts for next year, cash pool impacts/investment earnings, etc.	29-Jul		All
All departments submit proposed changes to OMB to include: department narratives (descriptions/goals/business plans/etc), operating, O&M schedules, Service Area budgets, PVRs, and CIB/CIP etc.	5-Aug		All
OMB compiles summaries of department budget changes for Mayor review	10-Aug		All
OMB sends *preliminary* CIB - Bonds to Finance for bond council review	10-Aug		Capital
Mayor meets with departments and reviews budget proposals	Aug 11 - 19		All
Public Finance to provide OMB bond council review impacts	17-Aug		Capital
OMB discussions with Mayor and Execs	23-Aug		All
Mayor's decisions on proposed CIB/CIP to OMB	2-Sep		Capital
("120 Day Memo") Mayor's *preliminary* budget information to Assembly and online (revenues, tax limit, service priorities, reorganizations, utility/enterprise business plans, update to utility/enterprise strategic business plans, and proposed CIPs)	**2-Sep**	**(A)**	**All**
OMB Completes Proposed CIB/CIP book for Exec Review	9-Sep		Capital
Exec final decisions on Proposed CIB/CIP book	14-Sep		Capital
OMB finalizes Proposed CIB/CIP book and Assembly documents	16-Sep		Capital
OMB submits budgets and Six-Year Fiscal Program to Assembly and online (NLT October 2)	**30-Sep**	**(B)**	**All**
Formal introduction of Mayor's budgets to Assembly	11-Oct		All
Assembly Worksession 1 of 2 - General Government Operating & Capital	14-Oct		All
Planning & Zoning Commission recommendations on CIB/CIP; (first Monday after Assembly introduction of Mayor's CIB/CIP)	17-Oct		Capital
Assembly Worksession 2 of 2 - General Government Operating & Capital	21-Oct		All
Assembly Public Hearing # 1 on proposed budgets	25-Oct	**(C)**	All
Assembly Public Hearing # 2 on proposed budgets	9-Nov		All

Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
DRAFT 2023 Budget Preparation Calendar at August 18, 2022

Action	Due Date	Ref	Category
Assembly Worksession - Assembly proposed amendments	18-Nov		All
Administration prepares S-Version	21-Nov		All
Assembly Budget Approval Meeting - Assembly amendments and adoption of budgets	22-Nov	**(D)**	All

Note: All dates are subject to change.

A

6.10.040 Submittal and adoption of municipal operating and capital budget. **September**

A. At least 120 days before the end of the fiscal year the Mayor shall submit to the Assembly the following:

1. A preliminary general government capital budget/capital program and utilities capital budget/capital program.

2. Proposed utility business plans and update to utility strategic plans.

3. Preliminary general government revenue plan, tax limitation, and administration service priorities.

4. Major departmental consolidations, reorganizations or establishments necessitating changes to Chapter 3.10 or 3.20, pertaining to executive organization, and required by proposed budgets for the next fiscal year.

B

Section 13.02. Six-Year Fiscal Program. October

At least 90 days before the end of the fiscal year of the municipality the mayor shall submit to the assembly, with recommendations from the planning commission, a six-year program for public services, fiscal policies and capital improvements of the municipality. The program shall include estimates of the effect of capital improvement projects on maintenance, operation and personnel costs. The assembly shall hold at least one public hearing on the six-year program prior to adoption.

Section 13.03. Operating and capital budget. October

At least 90 days before the end of the fiscal year of the municipality the Mayor shall submit to the Assembly a proposed operating and capital budget for the next fiscal year. The form and content of the budget shall be consistent with the proposed six-year program. The Mayor shall submit with the budget an analysis of the fiscal implications of all tax levies and programs.

C

Section 13.04. Budget hearing.

The Assembly shall hold at least two public hearings on the proposed operating and capital budget for the next fiscal year, including one hearing at least 21 days after the budget is submitted to the Assembly, and one hearing at least seven but not more than 14 days prior to

D

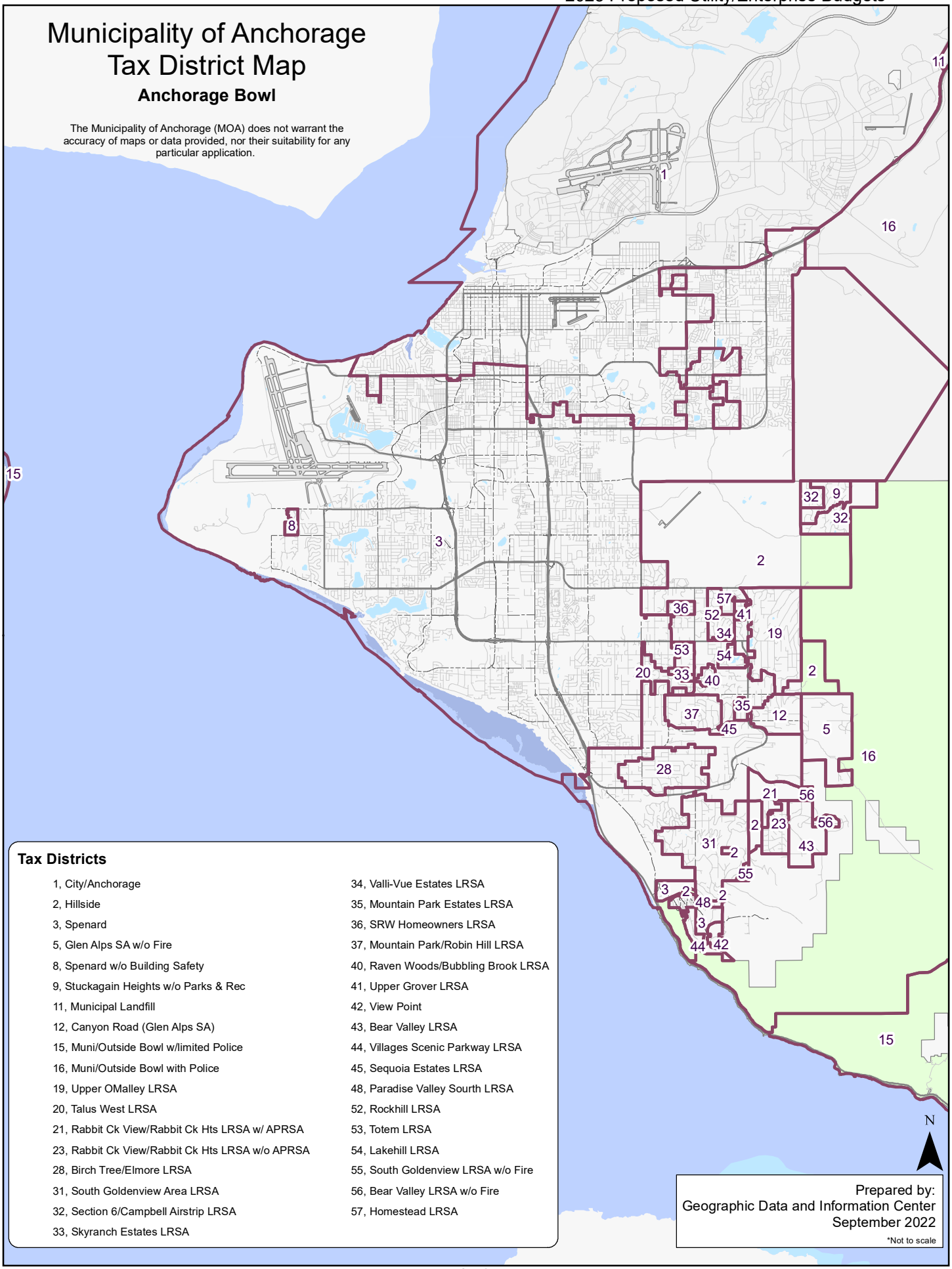
6.10.040 Submittal and adoption of municipal operating and capital budget.

B. The general government capital budget/capital program will be adopted at least 21 days prior to the end of the fiscal year of the

Municipality of Anchorage Tax District Map

Anchorage Bowl

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.



Tax Districts

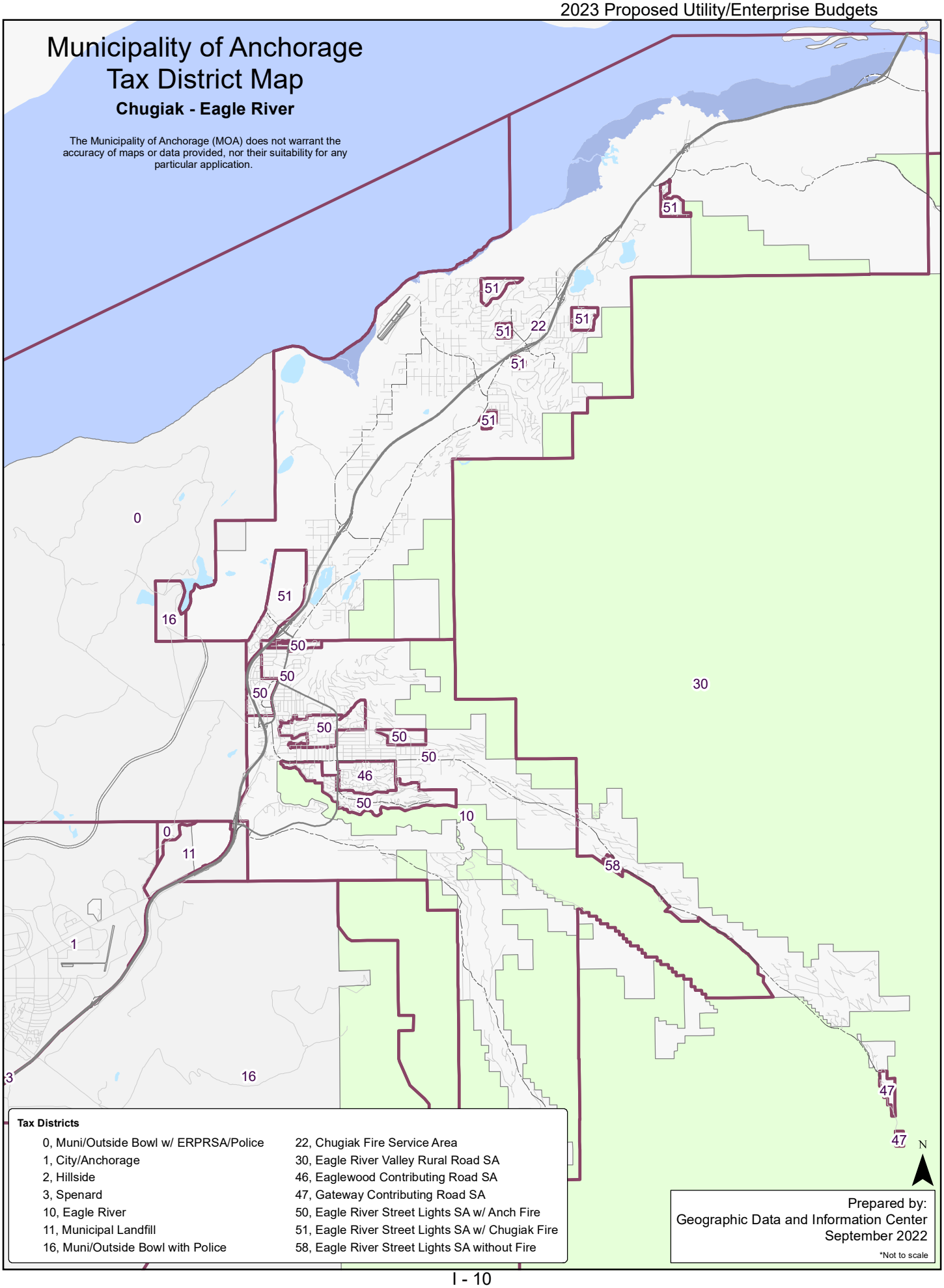
1, City/Anchorage
2, Hillside
3, Spenard
5, Glen Alps SA w/o Fire
8, Spenard w/o Building Safety
9, Stuckagain Heights w/o Parks & Rec
11, Municipal Landfill
12, Canyon Road (Glen Alps SA)
15, Muni/Outside Bowl w/limited Police
16, Muni/Outside Bowl with Police
19, Upper OMalley LRSA
20, Talus West LRSA
21, Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA
23, Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA
28, Birch Tree/Elmore LRSA
31, South Goldenview Area LRSA
32, Section 6/Campbell Airstrip LRSA
33, Skyranch Estates LRSA
34, Valli-Vue Estates LRSA
35, Mountain Park Estates LRSA
36, SRW Homeowners LRSA
37, Mountain Park/Robin Hill LRSA
40, Raven Woods/Bubbling Brook LRSA
41, Upper Grover LRSA
42, View Point
43, Bear Valley LRSA
44, Villages Scenic Parkway LRSA
45, Sequoia Estates LRSA
48, Paradise Valley Sourth LRSA
52, Rockhill LRSA
53, Totem LRSA
54, Lakehill LRSA
55, South Goldenview LRSA w/o Fire
56, Bear Valley LRSA w/o Fire
57, Homestead LRSA

Prepared by:
Geographic Data and Information Center
September 2022
*Not to scale

Municipality of Anchorage Tax District Map

Chugiak - Eagle River

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.



Tax Districts

- 0, Muni/Outside Bowl w/ ERPRSA/Police
- 1, City/Anchorage
- 2, Hillside
- 3, Spenard
- 10, Eagle River
- 11, Municipal Landfill
- 16, Muni/Outside Bowl with Police
- 22, Chugiak Fire Service Area
- 30, Eagle River Valley Rural Road SA
- 46, Eaglewood Contributing Road SA
- 47, Gateway Contributing Road SA
- 50, Eagle River Street Lights SA w/ Anch Fire
- 51, Eagle River Street Lights SA w/ Chugiak Fire
- 58, Eagle River Street Lights SA without Fire

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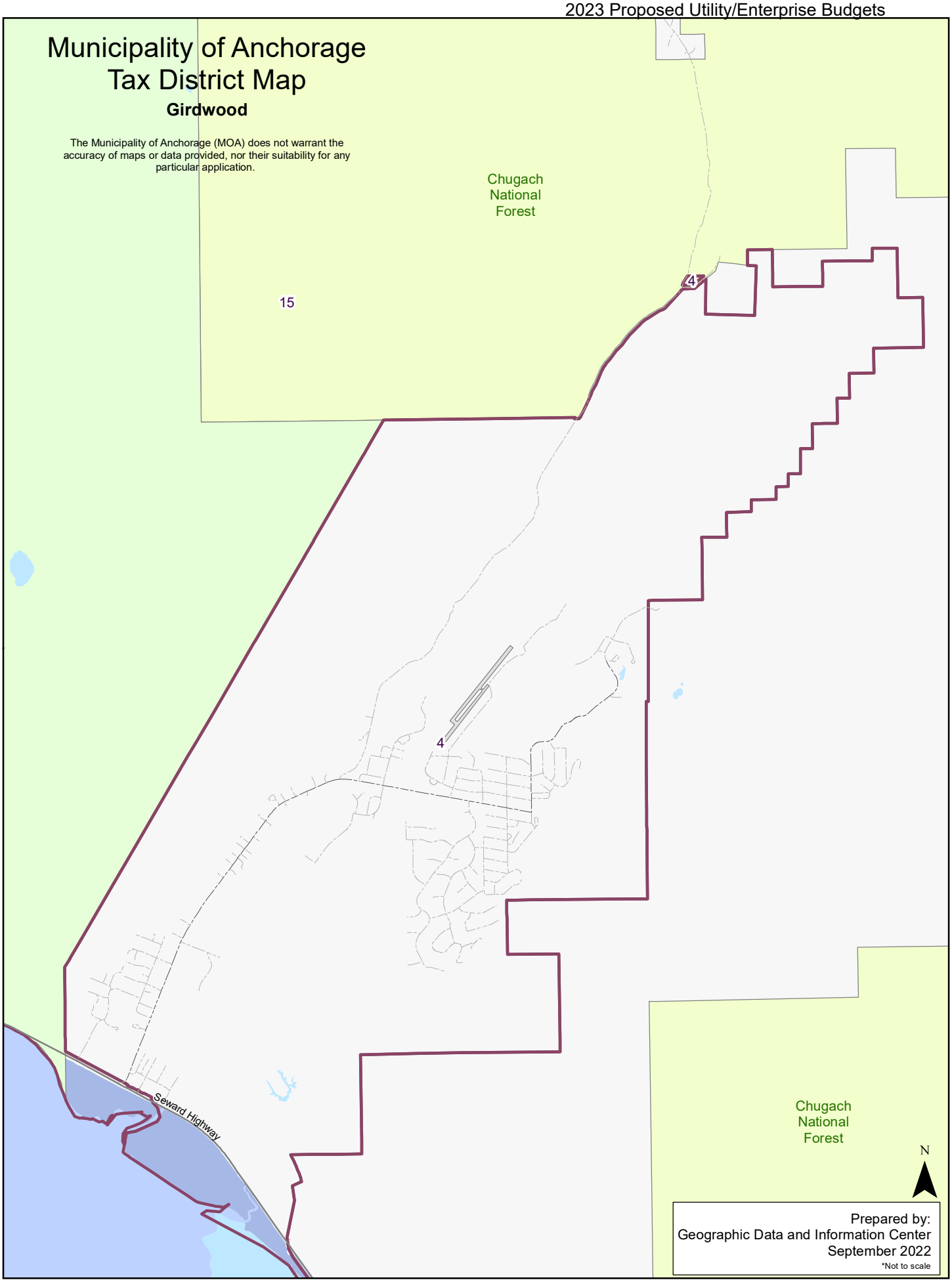
Prepared by:
Geographic Data and Information Center
September 2022
*Not to scale


Municipality of Anchorage
Tax District Map
Girdwood
The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.
Chugach National Forest
15
4
4
Seward Highway
Chugach National Forest
N
Prepared by:
Geographic Data and Information Center
September 2022
*Not to scale

Anchorage Hydropower Utility

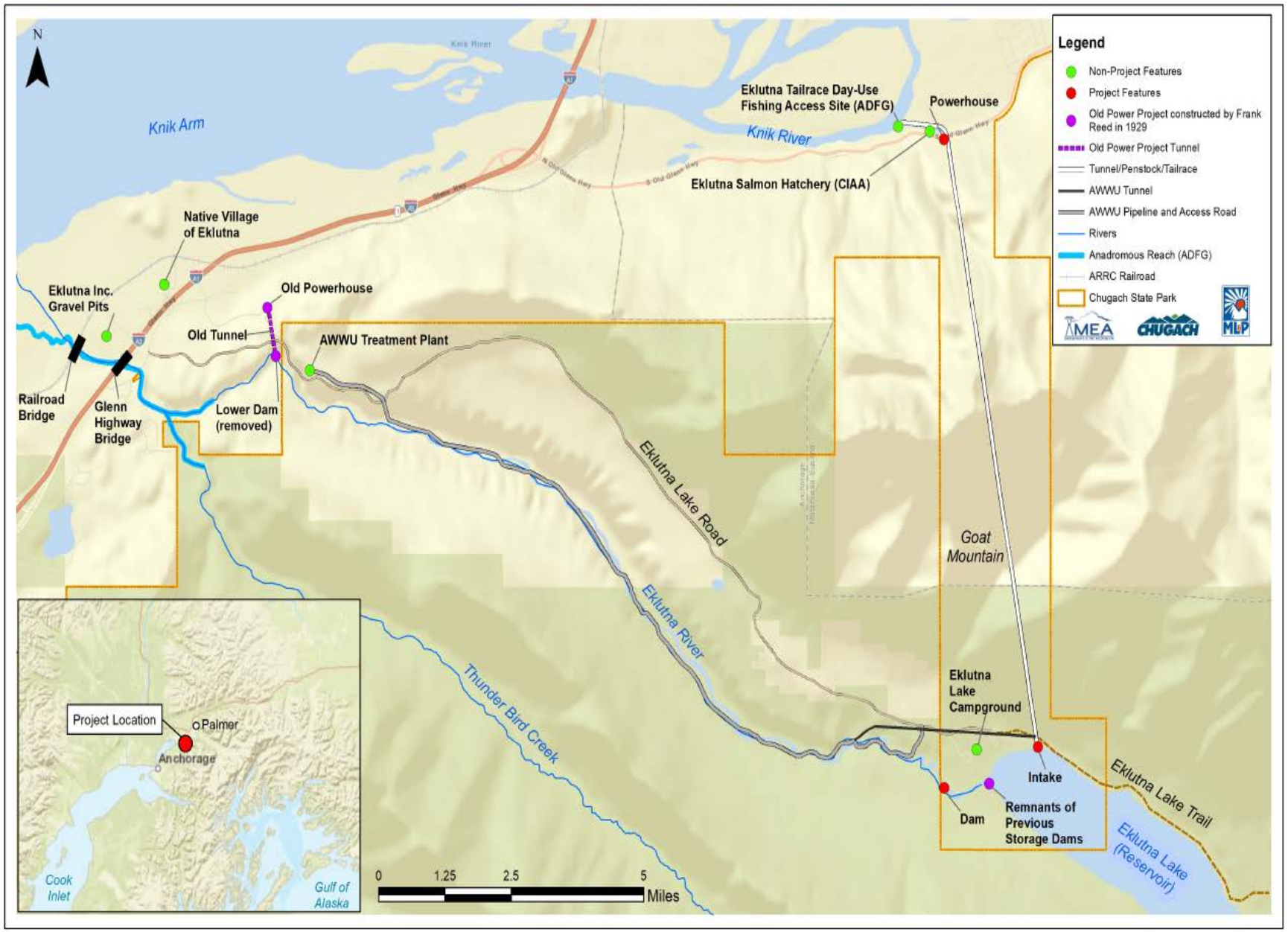
Anchorage Hydropower Utility
Organizational Overview

The Anchorage Hydropower Utility is an enterprise function of the Municipality of Anchorage (MOA).

In 2020, the MOA sold Municipal Light & Power (ML&P) and with the closing of the sale transaction to Chugach Electric Association, Inc. (CEA), the nature of the electric service provided by the MOA converted from the provision of retail electric service to a significant portion of Anchorage, through generation, transmission, and distribution facilities, to the far more limited provision of wholesale generation service through long-term contracts with two utility customers. MOA's ownership interest in the generation assets of the Eklutna Hydroelectric Project ("Eklutna Project") was not transferred to CEA and was retained by the MOA, as the Anchorage Hydropower Utility.

Anchorage Hydropower Utility is located approximately 30 miles northeast of Anchorage on the Old Glenn Highway. MOA, CEA, and Matanuska Electric Association, Inc. (MEA) share the project costs through a proportionate share of ownership. Under separate power purchase agreements (PPAs), for a term of 35 years, CEA will purchase its proportionate share (64.29%) of ML&P's share, and MEA will purchase its proportionate share (35.71%), of the Eklutna output. Through these PPAs, CEA and MEA have agreed to purchase the entire output of the MOA's Eklutna Project ownership interest.

Visit the Eklutna Project website at: https://www.eklutnahydro.com/background/


N
Knik Arm
Knik River
Eklutna Tailrace Day-Use Fishing Access Site (ADFG)
Powerhouse
Eklutna Salmon Hatchery (CIAA)
Native Village of Eklutna
Eklutna Inc. Gravel Pits
Old Powerhouse
Old Tunnel
AWWU Treatment Plant
Railroad Bridge
Glenn Highway Bridge
Lower Dam (removed)
Eklutna Lake Road
Goat Mountain
Eklutna River
Thunder Bird Creek
Eklutna Lake Campground
Intake
Dam
Remnants of Previous Storage Dams
Eklutna Lake Trail
Eklutna Lake (Reservoir)
Project Location
Palmer
Anchorage
Cook Inlet
Gulf of Alaska
0
1.25
2.5
5
Miles
Legend
Non-Project Features
Project Features
Old Power Project constructed by Frank Reed in 1929
Old Power Project Tunnel
Tunnel/Penstock/Tailrace
AWWU Tunnel
AWWU Pipeline and Access Road
Rivers
Anadromous Reach (ADFG)
ARRC Railroad
Chugach State Park
MEA
CHUGACH
MLP

Anchorage Hydropower
Business Plan

Mission
Provide energy that is safe and reliable to meet purchase power agreement (PPA) requirements.

Services
Anchorage Hydropower owns 53.33% of the generation assets of the Eklutna Hydroelectric Project. Anchorage Hydropower sells all its electric output to Chugach Electric Association (CEA) and Matanuska Electric Association (MEA) pursuant to PPAs. Anchorage Hydropower is currently subject to economic regulation by the Regulatory Commission of Alaska (RCA).

Business Goals
- Provide electricity to satisfy the PPAs.
- Maintain $3 million cash reserve in accordance with RCA Order U-19-020(39).
- Maintain 180 days of cash on hand to cover operating expenses.
- Maintain equity and earn net income at a level sufficient to continue to ensure the long-term financial stability of the utility.
- Operate the electrical system with optimum economic efficiency and strict adherence to environmental standards.

Strategies to Achieve Goals
- Implement industry best practices and streamline business processes to ensure the financial and operational integrity of the utility.
- Contract with an individual with knowledge of the Railbelt generation and transmission system and prudent utility practice to advise on power plant operations.
- Work collaboratively as owners of the Eklutna Hydropower Project to implement predictive maintenance program to reduce or eliminate outages and interruptions

Performance Measures to Track Progress in Achieving Goals
1. Maintain positive Net Income

About Anchorage Hydropower Utility

History
In 1929, the privately owned, Anchorage Power & Light Company (AP&L) began supplying electricity from a hydroelectric power plant on the Eklutna River, 30 miles northeast of Anchorage. In 1943, the city acquired the Eklutna plant from AP&L. In 1955, the U.S. Bureau of Reclamation completed construction of a new, larger plant on the Eklutna River. The city contracted for 16,000 kilowatts of generating capacity from that plant and "little" Eklutna was transferred to the federal government. In 1997, Municipal Light & Power (ML&P), Chugach Electric Association, Inc. (CEA), and Matanuska Electric Association, Inc. (MEA) jointly took ownership of the Eklutna Hydroelectric Plant. In 2020, through the sale of ML&P, the Municipality of Anchorage (MOA) retained its ownership interest in the generation assets of the Eklutna Hydroelectric Project (Eklutna Project). MOA, CEA, and MEA each own an undivided interest in the Eklutna Project in the following percentages: MOA, 53.33 percent; Chugach, 30 percent; and MEA, 16.67 percent.

Services
The Eklutna Project has 40 megawatts of generation capacity and produces approximately 130,000 kilowatt-hours of electricity per year.

In 2021, the project produced 142,979 megawatt hours (MWh) of clean energy. This is enough energy to power more than 24,600 residential homes for an entire year. Eklutna hydroelectric power is the lowest cost renewable energy in Southcentral Alaska.

Regulation
The utility is regulated by the Regulatory Commission of Alaska (RCA) and subject to abide by the rules and regulations in the utility's tariff, if any, or in special contracts with customers.

Under sections 13.11(a) and 16.04.B. of the Anchorage Municipal Charter, the revenue received from CEA under the power purchase agreement must be distributed in the MOA Trust Fund. The new section 26.10.068 provides that revenue received from CEA must be distributed to the MOA Trust Fund. It also provides that additional revenue may be distributed to the general government budget, subject to the requirement that the utility maintain sufficient reserves to meet anticipated capital and operating expenses and as required by the RCA.

The RCA requires that the MOA maintain a reserve fund of not less than $3,000,000 to support the MOA's share of anticipated operations. If for any reason these reserves are not met, the utility is prohibited from paying a dividend to general government and depositing CEA's payments to the trust.

Physical Plant
The 40-megawatt (MW) Eklutna Project is in Southcentral Alaska approximately 30 miles northeast of downtown Anchorage near the Native Village of Eklutna. The U.S. Bureau of Reclamation (USBR) constructed the project in 1955, which included rehabilitation of an existing dam at the outlet of Eklutna Lake.

The rehabilitated dam was damaged in the 1964 earthquake, at which point a new and taller embankment dam was constructed just downstream. The new dam is an earth and rockfill structure 815 feet long and 41 feet high with a rectangular concrete spillway that runs through the dam. Eklutna Lake, approximately 7 miles long and 1 mile wide, is located within Chugach

State Park and provides almost 90 percent of the domestic water supply for the MOA. The intake structure for the Eklutna Project is located 36 feet below the natural lake level. From there, water is diverted north into a 4.6-mile-long tunnel through Goat Mountain and then into a 1,370-foot-long penstock before reaching the powerhouse located on Old Glenn Highway. The tailrace flows under the highway and then discharges into the Knik River. The powerhouse contains two generating units.

Visit the Eklutna Hydropower website at: https://www.eklutnahydro.com/background/

Anchorage Hydropower Utility
Highlights and Future Events

The 1991 Fish and Wildlife Agreement (Agreement) gives deadlines for specific milestones in the consultation, program development, and implementation processes. These deadlines, listed below, are all relative to the date on which ownership of the project was officially transferred from the federal government to the three local utilities (October 2, 1997). This date is referred to as the Transaction.

Before the Governor issues the final Fish and Wildlife Program, the Agreement requires the owners to develop study plans, conduct the necessary studies, prepare study reports, develop a draft Fish and Wildlife Program, engage the public, and to consult with agencies and interested parties multiple times throughout the process. In order to allow adequate time to meet these requirements, the owners have initiated the consultation process early.

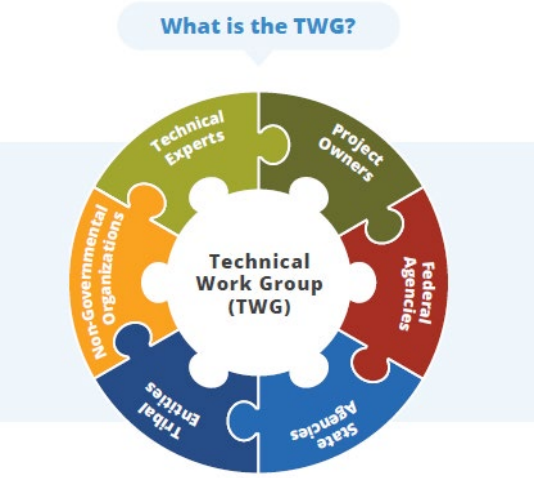
- 2022 – Initiate the consultation process no later than 25 years after the transaction date
- 2024 – Issuance of the Final Program by the Governor at least 3 years prior to implementation
- 2027 – Begin implementation of the Program no later than 30 years after the transaction
- 2032 – Complete implementation of the Program no later than 35 years after the transaction

The planned schedule to provide the Governor with a Proposed Fish and Wildlife Program is shown below, with updates through Fall of 2021.

2019 – During the last week of August, the owners' team conducted a site reconnaissance of the Eklutna River. The primary goal was to provide the project owners' technical and regulatory staff with the chance to review and observe site conditions and project facilities. In addition, the site reconnaissance allowed technical staff to assess the potential scope of study efforts needed to provide the Governor and his/her staff with data to establish the Fish and Wildlife Program required by the 1991 Fish and Wildlife Agreement. For more information, please reference the trip report which can be found under Final Documents at: Documents - Eklutna Hydro

2020 – In June 2020, a Technical Work Group (TWG) was established for study planning purposes. The TWG consists of technical experts and representatives from the following entities:

- Native Village of Eklutna
- Alaska Department of Fish and Game
- U.S. Fish and Wildlife Service
- National Marine Fisheries Service
- Trout Unlimited
- Alaska Pacific University
- Alaska Institute for Climate and Energy
- Hydropower Project Owners



Earlier in the year, the project owners acquired aerial imagery, spherical videography, and LiDAR of the entire Eklutna River as well as the northeastern shoreline of Eklutna Lake along the lakeside trail. The spherical videography is now available online at: https://biglook360.com/eklutna/ Segments 1-7 show the river and lake shoreline going upstream at a higher altitude, while segments 8-14 are going downstream at a lower altitude. The imagery, videography, and LiDAR will be utilized during the ongoing study planning process this year and during subsequent study implementation.

The following information can be found at the project website: https://www.eklutnahydro.com/project-schedule/

September 2020 – the project owners' technical team held several meetings with the TWG to establish a study program framework. The project owners then developed Draft Study Plans and distributed them to the TWG on October 26, 2020, for review and comment. The comment deadline was November 25, 2020. A subsequent TWG meeting was held on November 30, 2020, to review the TWG's comments on the Draft Study Plans.

March 2021 – After receiving comments from the Technical Work Group (TWG) and others on the Draft Study Plans, the project owners held multiple meetings with the TWG in November and December 2020 to discuss their comments. The project owners then revised the study plans based on all comments received and distributed the Revised Draft Study Plans to the TWG on January 18, 2021, for a second round of review and comment. Another meeting with the TWG was held on January 25, 2021, to review the major revisions to the study plans and to answer any clarifying questions from the TWG before the comment deadline on January 29, 2021. The project owners revised the study plans again to address the second round of comments from the TWG, and then distributed the Proposed Final Study Plans to the parties to the 1991 Fish and Wildlife Agreement on February 24, 2021, for review and concurrence. The project owners are currently working to obtain all necessary permits and authorizations for the planned summer field work season.

The project owners were happy to report that letters had been received from all of the parties in the 1991 agreement officially concurring with the scope of work in the Study Plans. Following the process outlined by the state agencies, the concurrence letters from the four state agencies and the Proposed Final Study Plans were then sent to the Alaska Energy Authority (AEA) as the governor's representative for review. The AEA provided no additional comments, and the Study Plans were finalized in May 2021.

June - August 2021 – Two of the primary studies being conducted in 2021 were an instream flow study and a geomorphology/sediment transport study. Both of these studies require a team to establish transects (cross sections) in the river for data collection. The project team conducted a site visit with the Technical Work Group (TWG) to establish exact transect locations. In order to collect data for both the instream flow and geomorphology/sediment transport studies, the project owners planned to use the drainage outlet gate at the base of the spillway in the dam to release specific flows into the river in the fall of 2021. However, this gate is not used on a regular basis and a large pile of rocks and debris had accumulated in front of it over the years. The project owners hired a team of divers to remove the rocks from the front of the gate so the gate could be inspected and determine if it was operational to conduct the study flows. The rock and debris removal was initiated and was scheduled to be completed in August. Upon inspection, there was some concern that the gate was not in good enough condition to conduct the flow releases in the fall 2021, so the decision was made to replace the gate in August at the same time as the remaining rock and debris are removed.

September 2021 – During the study planning process, concerns were raised that the study flow releases would result in unusually high flow conditions in the Eklutna River resulting in potentially hazardous conditions. Although there is no official public access to the Eklutna River, the river is still open for fishing, and trespassing to access the river does occur. With that in mind, the project owners have developed a Public Safety Plan in coordination with the Native Village of Eklutna, Eklutna, Inc., Chugach State Park, and the Anchorage Water and Wastewater Utility. The plan includes placing warning signs at all known access points to the Eklutna River and near the pond upstream of the dam, as well as, a formal notification of the flow release schedule to all of the project stakeholders, downstream landowners, and Native Village of Eklutna.
The study flow releases are also likely to mobilize and transport a large portion of the accumulated sediment from behind the lower dam site. Both the Alaska Department of Transportation and Public Facilities and the Alaska Railroad Corporation have expressed concern that the sediment would deposit downstream near their respective bridges and potentially cause negative impacts. The project owners reviewed all relevant available data and did not anticipate any negative impacts to downstream infrastructure. However, out of an abundance of caution, the project owners will monitor the streambed near the highway and railroad bridges daily during the study flow releases for any unanticipated sediment deposition or scour that would be cause for concern.

After replacing the drainage outlet gate at the spillway, consulting with the downstream landowners, and obtaining all of the necessary permits and authorizations, the project owners initiated the study flow releases. Drone footage of the flow releases at the dam can be viewed **here.**

- Monday, September 13 – Initiated flow releases at 150 cfs
- Friday, September 24 – Decrease flows to 75 cfs
- Wednesday, September 29 – Decrease flows to 25 cfs
- Wednesday, October 6 – Decrease flows to 0 cfs

On September 14, representatives from the Anchorage Water and Wastewater Utility and the Native Village of Eklutna joined board members and CEOs from Chugach Electric and Matanuska Electric at the Eklutna Canyon campground to observe the study flow releases and learn more about the necessary preparation and expected outcomes of this part of the study program.

October 2021 – The study flow releases ended on October 6. The project owners were happy to report that field crews successfully collected data at established transects throughout the Eklutna River during each of the study flow releases. Additional transects in the river were surveyed before and after the study flow releases to examine how sediment would move under various flows. As expected, a large portion of the accumulated sediment from behind the lower dam site was mobilized and transported downstream by the study flow releases. Time-lapse videos of the sediment wedge can be viewed **here**. However, no significant sediment deposition or scour was observed at the downstream highway or railroad bridges, and no public safety incidents were reported. The project team started analyzing the data that was collected in 2021 and drafting study reports.

The first year of field work has been completed, the project owners have initiated the study planning process for 2022. The project owners planned on continuing some of the aquatics studies that were initiated in 2021, as well as conducting new studies that will focus on other resource areas including terrestrial, recreation, and cultural resources. With that in mind, the project owners have established three new Technical Work Groups (TWGs) for each of the new focus areas. The following entities are currently participating in one or more of the TWGs.

- Native Village of Eklutna (aquatics, terrestrial, recreation, cultural)
- Alaska Department of Fish and Game (aquatics, terrestrial, recreation)
- Alaska Department of Natural Resources – Chugach State Park (recreation)
- Alaska Department of Natural Resources – Office of History and Archaeology (cultural)
- U.S. Fish and Wildlife Service (aquatics, terrestrial, cultural)
- National Marine Fisheries Service (aquatics)
- Trout Unlimited (aquatics, recreation)
- Alaska Pacific University (aquatics, terrestrial)
- Hydropower Project Owners (aquatics, terrestrial, recreation, cultural)

November 2021 – Preliminary results from the studies in 2021 were presented to the aquatics Technical Work Group (TWG). The team continued to work on drafting year 1 study reports, which were planned to be distributed to the aquatics TWG in February, 2022, for review and comment.
Also, a proposed study program framework for year 2 was presented to all four TWGs. After receiving feedback from the TWGs regarding the studies to be conducted next year, the team immediately started drafting the year 2 study plans, which were distributed in February for review and comment. The year 2 study plans were planned to be distributed to all four TWGs as well as the parties to the 1991 agreement.

February 2022 – The draft year 1 study reports and the draft year 2 study plans were distributed to the Technical Work Groups (TWGs) and the parties to the 1991 Agreement (parties) on February 11. The TWGs and the parties had one month to review and provide comments to the project owners. Shortly after the comment deadline, the project owners scheduled a series of TWG meetings to address any substantive comments that would warrant further discussion. The project team revised as appropriate and distributed the Proposed Final Year 2 Study Plans to the parties for concurrence. The goal of the project owners was to receive concurrence from all of the parties by mid-May so that a second field season by late May could be initiated. The year 1 study reports and year 2 study plans were posted to the documents page of the project website.

March 2022 – The comment deadline for the draft year 1 study reports and year 2 study plans was March 11. A series of TWG meetings were scheduled for the week of March 21 to review the substantive comments that warranted further discussion. The draft year 2 study plans, and all of the comment letters were posted to the documents page of the project website.

April 2022 – The project team conducted a series of TWG meetings the week of March 21 to review the substantive comments on the draft year 2 study plans that warranted further discussion. This included comments on the study area, methods, and schedule for several key studies being conducted this year, including the geomorphology and sediment transport study, instream flow study, water quality study, fisheries studies, terrestrial wildlife studies, recreation study, cultural resources study, and engineering studies. The project team then developed a comprehensive comment-response table, revised the year 2 study plans, and distributed the proposed final year 2 study plans to the parties to the 1991 Agreement on April 1 for review and concurrence. The proposed final year 2 study plans, which includes the comment-response table as an appendix, will be posted to the documents page of the project website.

The project team has started to develop fish habitat and sediment transport models using the instream flow and geomorphology data that was collected last year. Part of this process includes establishing Habitat Suitability Criteria (HSC) curves for the Eklutna River. The project team distributed a draft technical memorandum with recommended HSC curves to the Aquatics

TWG on February 25 for review and comment and then met with the Aquatics TWG on April 18 to discuss further. The project team is now working to finalize the HSC curves for the Eklutna River and will post the final tech memo to the documents page of the website. Modeling results will be presented to the Aquatics TWG later this year.

May 2022 – The project owners have received concurrence letters from all of the parties to the 1991 Agreement. The three state agencies (Alaska Department of Fish and Game, Alaska Department of Natural Resources, and the Alaska Department of Environmental Conservation) concurred with the proposed scope of work for all of the proposed studies. The two federal agencies concurred with the proposed scope of work for 10 of the proposed studies but have reserved their concurrence on the proposed year 2 efforts for both the instream flow study and the geomorphology and sediment transport study until modeling results are available later this year. The project team will finalize the study plans and post them to the documents page of the website along with all of the concurrence letters.

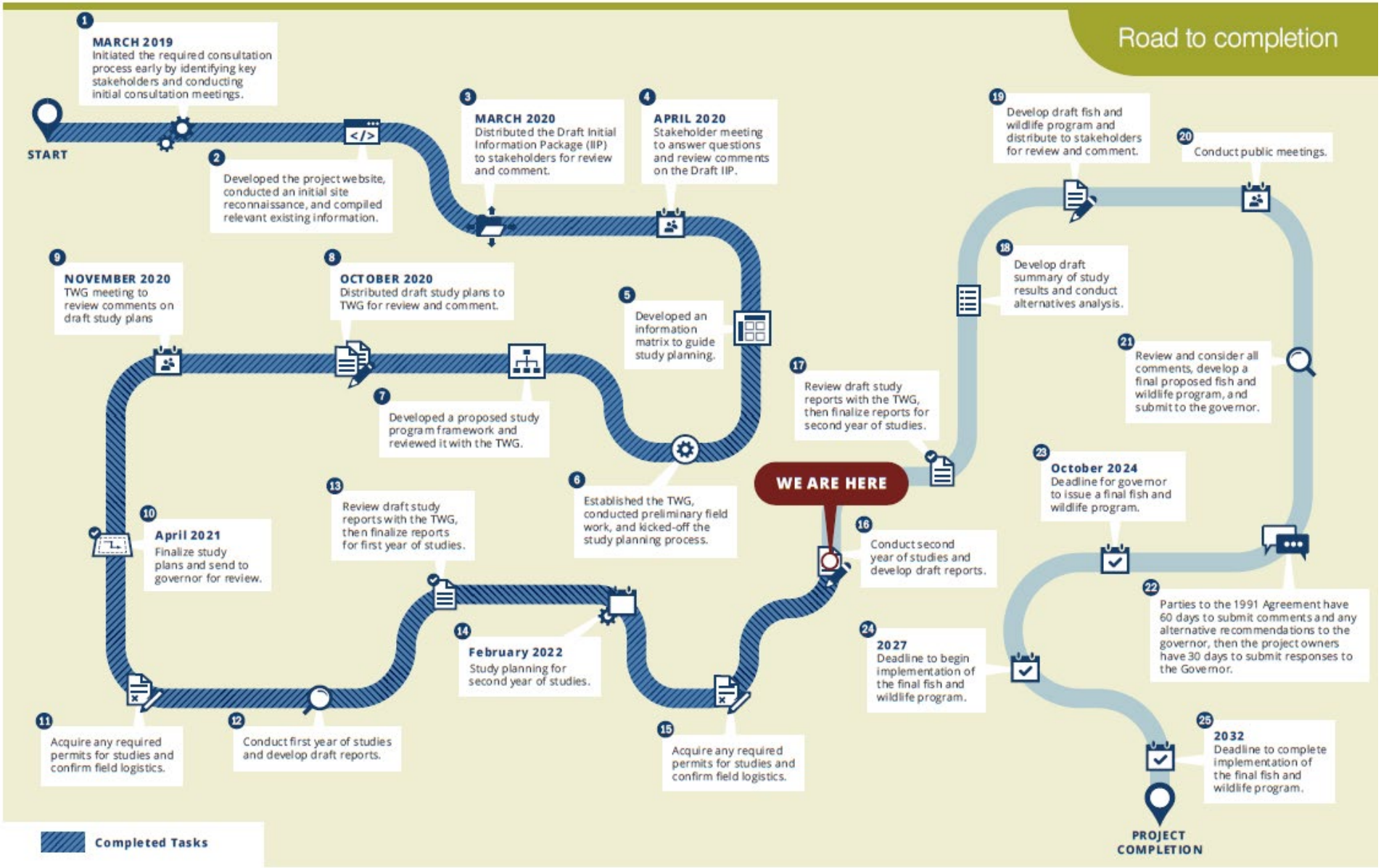
June 2022 - After obtaining all of the necessary permits, the project team initiated the second study year by conducting some early season study efforts this spring, which included:

- Collecting new LiDAR data and aerial imagery of the Eklutna River to further assess how the flow releases last year moved sediment throughout the river
- Downloading winter flow data from the stream gages in the river and winter temperature data from the thermistor strings in the lake
- Deploying both time-lapse and motion-sensitive wildlife cameras at key locations along the river to determine what species are using the study area
- Sampling for moose browse to help assess if moose numbers now are below the habitat carrying capacity
- Surveying for migratory waterfowl, shorebirds, and raptors to assess their seasonal use of wetlands and other habitat

2023–2024 – Conduct public meetings, resolve any disagreements, and submit proposal to the Governor.

Check in on the progress at: https://www.eklutnahydro.com/project-schedule/

Source: Eklutna Hydro. Accessed September 23, 2022. https://www.eklutnahydro.com/project-schedule/,
Source: Eklutna Hydro. Accessed September 23, 2022. Eklutna-Newsletter-Summer-2022.pdf (kinstacdn.com)


Road to completion
START
1 MARCH 2019
Initiated the required consultation process early by identifying key stakeholders and conducting initial consultation meetings.
2 Developed the project website, conducted an initial site reconnaissance, and compiled relevant existing information.
3 MARCH 2020
Distributed the Draft Initial Information Package (IIP) to stakeholders for review and comment.
4 APRIL 2020
Stakeholder meeting to answer questions and review comments on the Draft IIP.
5 Developed an information matrix to guide study planning.
6 Established the TWG, conducted preliminary field work, and kicked-off the study planning process.
7 Developed a proposed study program framework and reviewed it with the TWG.
8 OCTOBER 2020
Distributed draft study plans to TWG for review and comment.
9 NOVEMBER 2020
TWG meeting to review comments on draft study plans
10 April 2021
Finalize study plans and send to governor for review.
11 Acquire any required permits for studies and confirm field logistics.
12 Conduct first year of studies and develop draft reports.
13 Review draft study reports with the TWG, then finalize reports for first year of studies.
14 February 2022
Study planning for second year of studies.
15 Acquire any required permits for studies and confirm field logistics.
16 Conduct second year of studies and develop draft reports.
17 Review draft study reports with the TWG, then finalize reports for second year of studies.
WE ARE HERE
18 Develop draft summary of study results and conduct alternatives analysis.
19 Develop draft fish and wildlife program and distribute to stakeholders for review and comment.
20 Conduct public meetings.
21 Review and consider all comments, develop a final proposed fish and wildlife program, and submit to the governor.
22 Parties to the 1991 Agreement have 60 days to submit comments and any alternative recommendations to the governor, then the project owners have 30 days to submit responses to the Governor.
23 October 2024
Deadline for governor to issue a final fish and wildlife program.
24 2027
Deadline to begin implementation of the final fish and wildlife program.
25 2032
Deadline to complete implementation of the final fish and wildlife program.
PROJECT COMPLETION
Completed Tasks

Anchorage Hydropower Utility
External Impacts

A Fish & Wildlife Agreement in 1991, with the United States Fish and Wildlife Service (USFWS), the National Marine Fisheries Service (NMFS), and the State of Alaska (the State) came to an agreement that requires the owners to:

- examine, and quantify if possible, the impacts to fish and wildlife from the Eklutna Hydroelectric Project
- examine proposals for the protection, mitigation and enhancement of fish and wildlife affected by the hydroelectric development
- consider the impacts of any protection, mitigation, or enhancement (PME) measures on other environmental resources and beneficial public uses as well as available means to mitigate those impacts
- develop and propose a Fish & Wildlife Program to the Governor.

The Governor will then review the proposal and issue a final Fish & Wildlife Program giving equal consideration to:

- the purposes of efficient and economical power production
- the protection, mitigation of damage to, and enhancement of fish and wildlife
- the protection of recreation opportunities
- municipal water supplies
- the preservation of other aspects of environmental quality
- other beneficial public uses
- requirements of State law

Throughout this process, the owners are required to consult with the USFWS, the NMFS, State resource agencies including the Alaska Department of Fish & Game (ADF&G), the Alaska Department of Environmental Conservation (ADEC), the Alaska Department of Natural Resources (ADNR), and any other interested parties. The USFWS, NMFS, and the State agreed that this process obviates the need for the owners to obtain a license for the project from the Federal Energy Regulatory Commission (FERC). The Native Village of Eklutna and Anchorage Water & Wastewater Utility are also included in the process.

Source: Eklutna Hydro. Accessed September 23, 2022. https://www.eklutnahydro.com/background/

Anchorage Hydropower Utility
Capital Overview

Capital Project Selection Process
The Eklutna Operating Committee (EOC), of which the Municipality is a member, reviews engineering and operating reports, maintenance schedules, and other information about the condition of the generation assets of the Eklutna Power Project (the Project). The EOC develops a five-year capital plan and develops and approves a current year capital project budget based on need, available resources, and schedule.

Significant Projects
Fish & Wildlife Project – In compliance with the 1991 Fish and Wildlife Agreement between the Eklutna project owners, the Federal government, and the State of Alaska, Anchorage Hydropower is responsible to pay for 19.04% of the costs associated with developing and implementing a Fish & Wildlife Study Plan, designed to mitigate any effects of the hydroelectric activity of the Project on fish and wildlife in the area.

Impacts on Future Operating Budgets
The entity must retain equity for the payment of capital projects in the future. The Municipality is responsible for 19.04% of the Eklutna generation capital expenditures and any future Fish & Wildlife project expenditures.

Anchorage Hydropower Utility
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	4,809	3,715	4,816	4,864	4,909	4,954	4,999	5,044
Expenses and Transfers [1]	3,552	3,348	3,620	3,669	3,718	3,767	3,816	3,865
Net Income(Loss)	**1,257**	**367**	**1,196**	**1,195**	**1,191**	**1,187**	**1,183**	**1,179**
Charges by/to Other Departments	35	35	35	36	37	38	39	40
Dividend to General Government	300	300	300	300	300	300	300	300
Transfers to General Government [2]	**335**	**335**	**335**	**336**	**337**	**338**	**339**	**340**
Operating Cash	804	300	515	533	551	572	592	592
Construction Cash Pool	-	1,654	1,075	872	724	786	780	1,300
Restricted Cash	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Cash	**3,804**	**4,954**	**4,590**	**4,405**	**4,275**	**4,358**	**4,372**	**4,892**
Net Position/Equity 12/31	13,442	13,809	15,005	16,200	17,391	18,578	19,761	20,940
Capital Assets Beginning Balance	-	8,175	8,883	9,483	10,083	10,683	12,445	14,608
Asset Additions Placed in Service	8,175	708	600	600	600	1,762	2,163	3,431
Net Capital Assets (12/31)	8,175	8,883	9,483	10,083	10,683	12,445	14,608	18,039
Equity Funding Available for Capital	-	-	600	600	600	1,762	2,163	3,431

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

Anchorage Hydropower Utility
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Wholesale Power Sales	1,764,371	947,086	1,285,003	2,232,089	(518,373)	1,713,716	-23.22%
Water Diversion Income	322,118	327,229	(177,229)	150,000	100,000	250,000	66.67%
Total Operating Revenue	**2,086,489**	**1,274,314**	**1,107,775**	**2,382,089**	**(418,373)**	**1,963,716**	**-17.56%**
Non Operating Revenue							
Chugach Revenues	2,514,561	2,537,591	-	2,539,706	48,139	2,587,845	1.90%
Investment Income	24,828	(96,595)	182,595	86,000	178,000	264,000	206.98%
Total Non Operating Revenue	**2,722,488**	**2,440,996**	**182,595**	**2,625,706**	**226,139**	**2,851,845**	8.61%
Total Revenue	**4,808,976**	**3,715,311**	**1,290,370**	**5,007,795**	**(192,234)**	**4,815,561**	**-3.84%**
Operating Expense							
Salaries and Benefits	-	-	177,510	177,510	3,997	181,507	2.25%
Total Labor	-	-	177,510	177,510	3,997	181,507	2.25%
Supplies	-	-	-	-	214,000	214,000	0.00%
Travel	-	-	-	-	-	-	0.00%
Contractual/Other Services	174,474	174,140	53,399	227,538	(227,538)	-	-100.00%
Transfers to Other Funds	2,805,180	2,537,590	602,116	3,139,706	(551,861)	2,587,845	-17.58%
Dividend to General Government	300,000	300,000	-	300,000	-	300,000	0.00%
Manageable Direct Cost Total	3,279,655	3,011,730	655,514	3,667,244	(565,399)	3,101,845	-15.42%
Municipal Enterprise/Utility Service Assessment	-	-	-	-	-	-	0.00%
Depreciation/Amortization	237,743	300,966	396	301,362	-	301,362	0.00%
Non-Manageable Direct Cost Total	237,743	300,966	396	301,362	-	301,362	0.00%
Charges by/to Other Departments	34,954	34,954	-	34,954	-	34,954	0.00%
Total Operating Expense	**3,552,352**	**3,347,649**	**833,420**	**4,181,070**	**(561,402)**	**3,619,668**	**-13.43%**
Total Expense	**3,552,352**	**3,347,649**	**833,420**	**4,181,070**	**(561,402)**	**3,619,668**	**-13.43%**
Net Income (Loss)	**1,256,624**	**367,661**	**456,949**	**826,725**	**369,168**	**1,195,893**	**44.65%**
Appropriation:							
Total Expense		**3,347,649**	**833,421**	**4,181,070**	**(561,402)**	**3,619,668**	**-13.43%**
Less: Non Cash Items							
Depreciation/Amortization		300,966	396	301,362	-	301,362	0.00%
Total Non-Cash		300,966	396	301,362	-	301,362	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**3,046,683**	**833,025**	**3,879,708**	**(561,402)**	**3,318,306**	**-14.47%**

Anchorage Hydropower Utility
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	3,879,708	1	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	-	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments, EXE Range Approved	3,997	-	-	-
- Transfer to Municipal Trust to align to CEA payment amount	(551,861)	-	-	-
2023 Continuation Level	**3,331,844**	1	-	-
2023 Proposed Budget Changes				
- Contractual Services	(13,538)	-	-	-
2023 Proposed Budget	**3,318,306**	**1**	**-**	**-**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**3,318,306**	**1**	**-**	**-**
	FTEs			
	1.0	**1.0**	**-**	**-**

Anchorage Hydropower Utility Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
Fire Panel Upgrade	-	-	-	24	24
Fish & Wildlife	-	-	-	325	325
Hydropower Generation	-	-	-	22	22
SCADA System Upgrade	-	-	-	5	5
Security System Upgrade	-	-	-	11	11
Total	**-**	**-**	**-**	**387**	**387**

Anchorage Hydropower Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Plant						
Fire Panel Upgrade	2023	-	-	-	24	24
Fish & Wildlife	2023	-	-	-	325	325
	2024	-	-	-	325	325
	2025	-	-	-	325	325
	2026	-	-	-	325	325
		-	-	-	1,300	1,300
Hydropower Generation	2023	-	-	-	22	22
SCADA System Upgrade	2023	-	-	-	5	5
Security System Upgrade	2023	-	-	-	11	11
	Total	**-**	**-**	**-**	**1,362**	**1,362**

Fire Panel Upgrade

Project ID	AH2023002	**Department**	Anchorage Hydropower Utility
Project Type	Upgrade	**Start Date**	January 2023
District		**End Date**	December 2023
Community Council			

Description

The Eklutna Operations Committee has approved this project, total cost: $125,000, Municipality of Anchorage (MOA) portion $23,800.

Comments

The Eklutna Operations Committee has approved projects that are required for components of generators. The Chugach Electric Association (CEA), Municipality of Anchorage (MOA), and Matanuska Electric Association (MEA) proportionately share the costs as approved in the sale agreement:
CEA - 64.29%
MOA - 19.04%
MEA - 16.67%

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	531200 - Anchorage Hydropower CIP	24	-	-	-	-	-	24
Total (in thousands)		**24**	**-**	**-**	**-**	**-**	**-**	**24**

Fish & Wildlife

Project ID	2021003	**Department**	Anchorage Hydropower Utility
Project Type	New	**Start Date**	January 2021
District		**End Date**	December 2028

Community Council

Description

Fish and Wildlife costs are for the development of studies required by the agreement. The Eklutna Operations Committee has approved this project, 2023 total cost: $1,700,000, Municipality of Anchorage (MOA) portion $325,000.

Comments

The Eklutna Operations Committee has approved projects that are required for components of generators. The Chugach Electric Association (CEA), Municipality of Anchorage (MOA), and Matanuska Electric Association (MEA) proportionately share the costs as approved in the sale agreement:
CEA - 64.29%
MOA - 19.04%
MEA - 16.67%

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	531200 - Anchorage Hydropower CIP	325	325	325	325	325	325	1,950
Total (in thousands)		**325**	**325**	**325**	**325**	**325**	**325**	**1,950**

Hydropower Generation

Project ID	AH2023001	**Department**	Anchorage Hydropower Utility
Project Type	Improvement	**Start Date**	January 2023
District		**End Date**	December 2023

Community Council

Description

The Eklutna Operations Committee has approved projects that are required for components of generators. Total cost: $115,000, Municipality of Anchorage (MOA) portion $22,000 for the following projects:
Station Service Breaker Replacement - Generators
Generation Unit Controls
Potted Buss Splice - Generators

Comments

The Eklutna Operations Committee has approved projects that are required for components of generators. The Chugach Electric Association (CEA), Municipality of Anchorage (MOA), and Matanuska Electric Association (MEA) proportionately share the costs as approved in the sale agreement:
CEA - 64.29%
MOA - 19.04%
MEA - 16.67%

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	531200 - Anchorage Hydropower CIP	22	-	-	-	-	-	22
Total (in thousands)		**22**	**-**	**-**	**-**	**-**	**-**	**22**

SCADA System Upgrade

Project ID	AH2023003	**Department**	Anchorage Hydropower Utility
Project Type	Upgrade	**Start Date**	January 2023
District		**End Date**	December 2023

Community Council

Description

The Eklutna Operations Committee has approved this project total cost: $25,000, Municipality of Anchorage (MOA) portion $5,000

Comments

The Eklutna Operations Committee has approved projects that are required for components of generators. The Chugach Electric Association (CEA), Municipality of Anchorage (MOA), and Matanuska Electric Association (MEA) proportionately share the costs as approved in the sale agreement:
CEA - 64.29%
MOA - 19.04%
MEA - 16.67%

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	531200 - Anchorage Hydropower CIP	5	-	-	-	-	-	5
Total (in thousands)		**5**	**-**	**-**	**-**	**-**	**-**	**5**

Security System Upgrade

Project ID	AH2023004	**Department**	Anchorage Hydropower Utility
Project Type	Upgrade	**Start Date**	January 2023
District		**End Date**	December 2023

Community Council

Description

The Eklutna Operations Committee has approved this project required total cost: $57,000, Municipality of Anchorage (MOA) portion $11,000

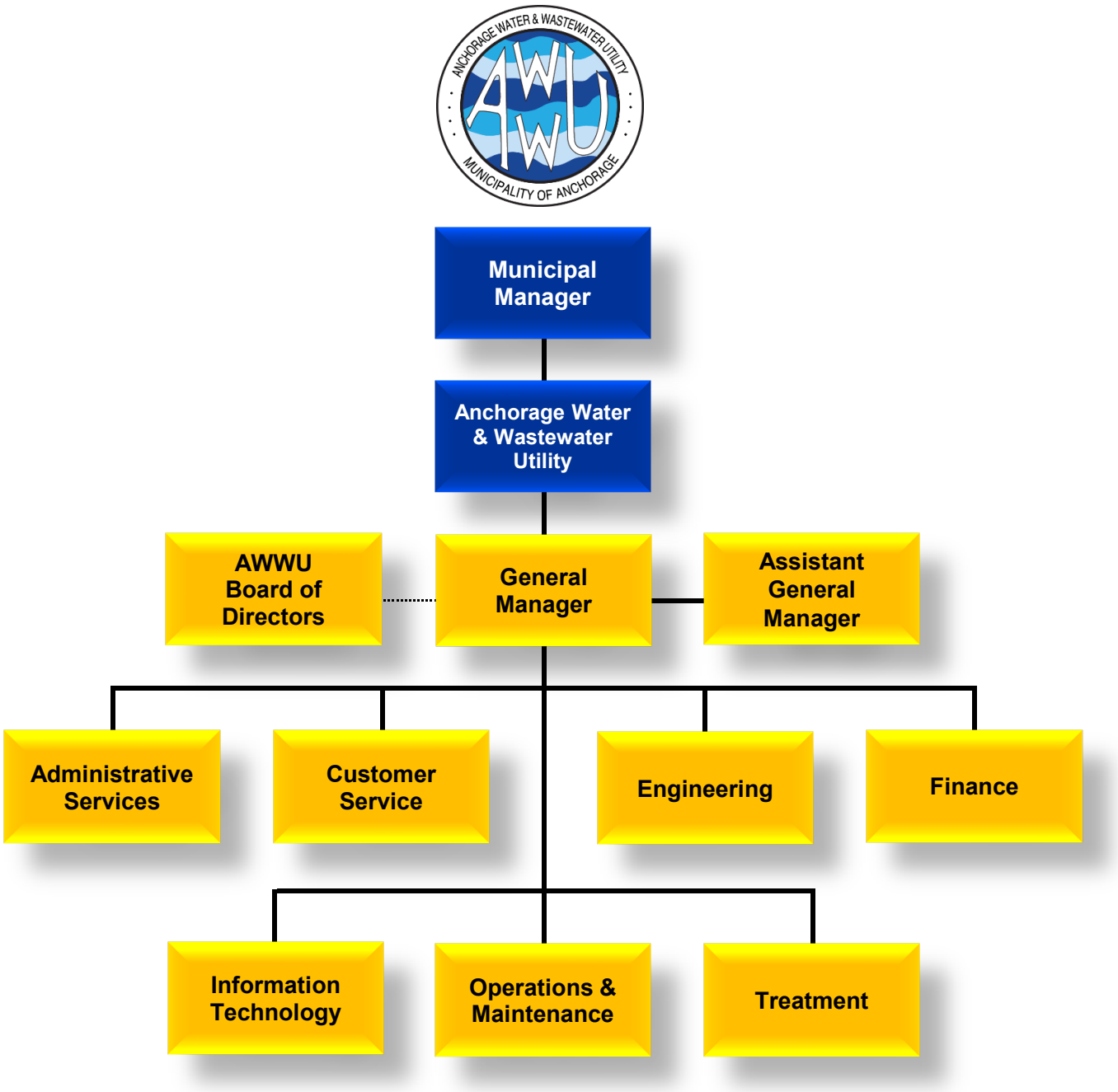
Comments

The Eklutna Operations Committee has approved projects that are required for components of generators. The Chugach Electric Association (CEA), Municipality of Anchorage (MOA), and Matanuska Electric Association (MEA) proportionately share the costs as approved in the sale agreement:
CEA - 64.29%
MOA - 19.04%
MEA - 16.67%

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	531200 - Anchorage Hydropower CIP	11	-	-	-	-	-	11
Total (in thousands)		**11**	**-**	**-**	**-**	**-**	**-**	**11**

Anchorage Water & Wastewater Utility



Anchorage Water & Wastewater Utility
Organizational Overview

Overview

The Anchorage Water and Wastewater Utility (AWWU) is the largest water and wastewater utility in Alaska. AWWU currently serves the Municipality of Anchorage extending from Eklutna to as far south as Girdwood. Although they share one workforce, AWWU operates as two separate economic and regulated entities: the Anchorage Water Utility (AWU) and the Anchorage Wastewater Utility (ASU).

AWWU Headquarters

System Description

To provide water and sewer services, AWWU owns and operates five Treatment Facilities (2 water and 3 wastewater), approximately 1,600 miles of pipe, and over 325,000 square feet of facility space distributed throughout the Municipality. The certificated water service area covers 130.4 square miles in three distinct geographic areas, Northern Communities, the Anchorage Bowl, and Girdwood Valley. Estimates place the water service population at approximately 243,000 people via nearly 56,700 customer accounts. The certificated sewer service area is larger, encompassing nearly all of the Municipality. ASU currently provides sewer service to approximately 252,500 people via approximately 57,600 customer accounts. Additionally, AWWU receives septage pumped from on-site wastewater systems on lots in areas not directly connected to the sewer system.

Ship Creek Water Treatment Facility

AWU's three sources of water are Eklutna Lake, Ship Creek, and groundwater accessed through a system of wells in the Northern Communities, the Anchorage Bowl, and Girdwood Valley. Eklutna Water Treatment Facility and the wells which supply Girdwood are operated year-round and serve as the primary supply sources for the Anchorage and Girdwood water systems. The Ship Creek Water Treatment Facility and the remainder of the water wells are used to augment the primary water supply, mainly in times of peak demand, as well as provide redundancy to the Eklutna source for Eagle River and the Anchorage Bowl. Of these sources, the Eklutna Water Treatment Facility now provides approximately 91% of total water production for the Northern Communities/Eagle River and the Anchorage Bowl. In Girdwood, where system demand constitutes less than 2 percent of AWWU's total water production, all water produced and distributed is from two municipally-owned and managed wells.

ASU operates three wastewater treatment facilities (WWTF) to treat wastewater collected in three geographically separate but commonly managed sewer systems. The largest of these is the John M. Asplund WWTF located at Point Woronzof. The Asplund WWTF was constructed in

the early 1970's when Anchorage eliminated direct ocean discharges. It services the wastewater treatment needs of the Anchorage Bowl. The Asplund facility has received silver, gold, and platinum awards from the National Association of Clean Water Agencies for efficiency and environmental compliance. ASU is continually at work to maintain and enhance the facility. The Asplund facility operates in accordance with a National Pollution Discharge Elimination System (NPDES) permit administered by the U.S. Environmental Protection Agency (EPA). The permit, which expired in 2005 but has been administratively extended by EPA, allows discharge of effluent receiving primary treatment, in accordance with Section 301(h) of the Clean Water Act. The EPA is targeting September 2022 to complete a review of the existing permit.

Asplund Facility

The Eagle River WWTF was originally built in the 1960's and upgraded several times. It services the public wastewater treatment and disposal needs within Eagle River and Chugiak. The Eagle River facility provides biological secondary treatment and discharges treated effluent to Eagle River. The Eagle River Wastewater Treatment Facility Permit was renewed on March 1, 2020 by Alaska Department of Environmental Conservation (ADEC), which has assumed primacy from EPA over permits for wastewater discharge to fresh water and is valid for five years.

Girdwood Wastewater Treatment Plant

The third facility is Girdwood WWTF. It was originally constructed in the 1970's and also has undergone several process modifications and upgrades. The Girdwood facility provides biological secondary treatment and discharges treated effluent to Glacier Creek under an administratively extended NPDES permit administered by the ADEC. The core facility is now at the end of its useful life. Phase 1 of plant replacement and upgrades was completed in 2014. Phase 2 of the plant replacement and upgrade is being planned to conform to discharge requirements of a new permit.

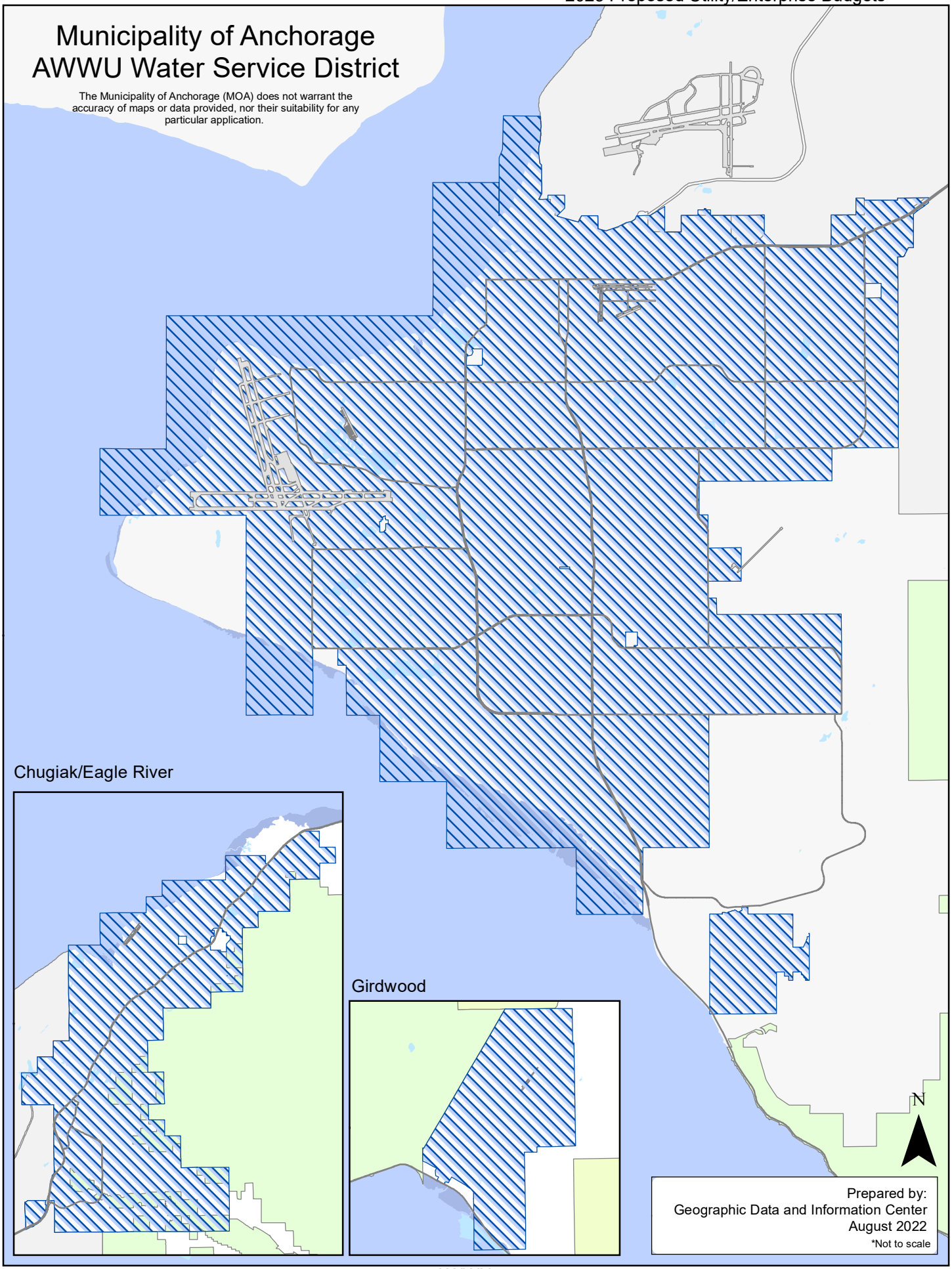
Over the past decade, investments in physical infrastructure have resulted in an increase in the value of AWU and ASU. From 2010 to present, plant in service has increased by 27.1% from $709.3 million to $901.4 million for AWU and by 32.9% from $554.6 million to $737.1 million for ASU. This growth is primarily a result of an increasing amount of investment in transmission and distribution assets (water pipelines) and collection plant assets (wastewater pipelines).

Organization
The General Manager's office is responsible for overall operation of AWWU that includes the following 7 divisions:

- Treatment Division is responsible for day-to-day operation of the treatment facilities and water distribution system and for maintaining compliance with all state and federal regulations.
- Operations and Maintenance (O&M) Division maintains the treatment facilities and repairs all water and sewer piping and lift stations. The O&M Division also operates the wastewater collection system and is responsible for AWWU's Supervisory Control and Data Acquisition (SCADA) system.
- Customer Service Division is responsible for responding to customer inquiries, billing and collections for both utilities, issuing of permits, and field service functions.
- Engineering Division is responsible for development and execution of AWWU's capital program and for system planning.
- Information Technology Division provides support for all AWWU computers, network, and software systems.
- Administrative Services Division provides for training, safety, and internal and external communications.
- Finance Division is responsible for all general ledger and plant accounting, preparation of utility budgets and financial statements, and regulatory filings.

Municipality of Anchorage
AWWU Water Service District

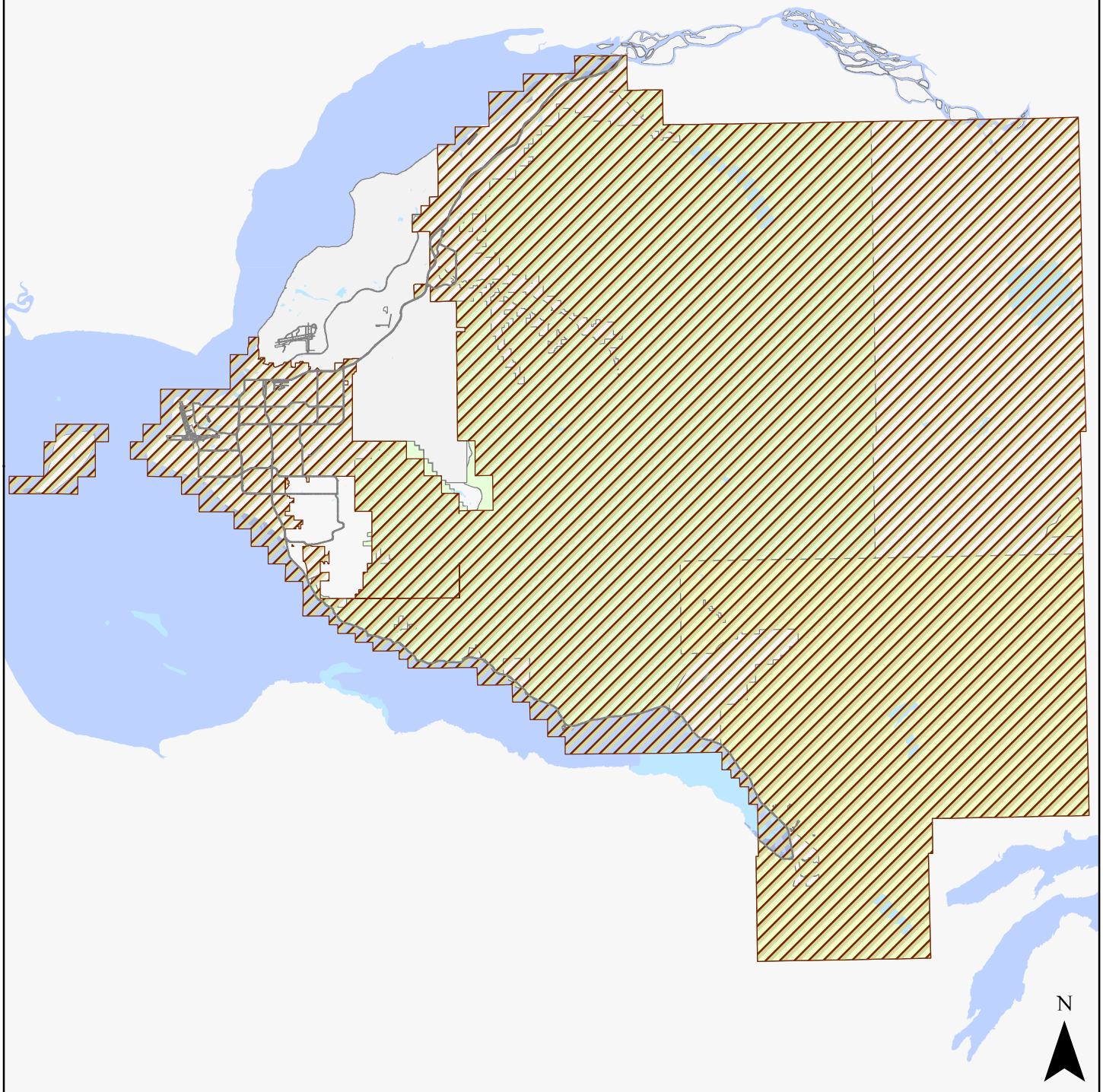
The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.



Prepared by:
Geographic Data and Information Center
August 2022
*Not to scale

Municipality of Anchorage
AWWU Sewer Service District

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.



Prepared by:
Geographic Data and Information Center
August 2022
*Not to scale

Anchorage Water & Wastewater Utility
Business Plan

Mission
Providing safe and reliable water and wastewater service today and into the future.

Services
Anchorage Water & Wastewater Utility (AWWU) is the largest water and wastewater utility in Alaska. AWWU currently serves the Municipality of Anchorage extending from Eklutna to as far south as Girdwood. Although they share one workforce, AWWU operates as two separate economic and regulated entities: the Anchorage Water Utility (AWU) and the Anchorage Wastewater Utility (ASU).

Business Goals
AWWU prepared an updated strategic plan in 2016. The plan includes the following goals:

- Be responsive to the needs of the community
- Be the model of innovation and efficiency in service to the public
- Be a responsible steward of ratepayer funds
- Be the employer of choice for existing and future staff

Strategies to Achieve Goals
AWWU has identified the following customer commitments which represent the outcomes or accomplishments of the Utilities' activities as viewed by the customer:

1. Provide safe drinking water that meets or exceeds all standards.
2. Protect the environment through appropriate wastewater collection, treatment, and disposal.
3. Provide reliable service.
4. Have timely, professional, and courteous interactions with customers.
5. Manage finances responsibly and transparently.
6. Set rates that fairly reflect the cost of providing service and maintaining infrastructure.
7. Deliver services affordably to promote a strong Anchorage economy.
8. Invest wisely to minimize risk and maintain service levels.
9. Continuously improve the efficiency of our operations.
10. Anticipate change and prepare for the future.

Performance Measures to Track Progress in Achieving Goals
AWWU measures progress in achieving these customer commitments using quantifiable performance measures, including the following:

1. Compliance with all State and Federal drinking water, wastewater and clean air standards.
2. Number of planned and unplanned water outages.
3. Sanitary sewer overflows.
4. Number of reportable injuries and accidents.
5. Execution of capital improvement budget.
6. Debt to equity ratio.

Anchorage Water & Wastewater Utility

Anchorage: Performance. Value. Results.

Mission
Supporting the public health, safety, and economic interests of the community by providing quality water and wastewater services in a responsible, efficient, and sustainable manner.

Core Services
- Reliably treat and distribute potable water for domestic, commercial, and firefighting uses throughout the certificated service area.
- Reliably collect, treat, and dispose of wastewater in accordance with laws and regulations that protect public health and the environment.

Accomplishment Goals
- Provide reliable service
- Provide safe drinking water that meets or exceeds all standards
- Protect the environment through appropriate wastewater collection, treatment, and disposal.
- Fiscal responsibility and transparency with utility finances.
- Timely, professional, and courteous interactions with customers.
- Rates that fairly reflect the cost of providing service and maintaining infrastructure
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future.

Performance Measures
Progress in achieving goals shall be measured by:
1. Compliance with all State and Federal drinking water standards
   - Wastewater standards
   - Clean Air Act standards
2. Number of planned and unplanned water outages
3. Sanitary sewer overflows
4. Recordable incident rate (as compared to the standard incident rate for water and wastewater utilities)
5. Execution of capital improvement budget
6. Debt to equity ratio

Measure #1: Compliance with all State and Federal drinking water, wastewater, and clean air standards

Type
Effectiveness

Accomplishment Goals Supported
- Provide reliable service
- Provide safe drinking water that meets or exceeds all standards
- Protect the environment through appropriate wastewater collection, treatment, and disposal.

Definition
The number of regulatory requirements meeting compliance standards divided by the total number of regulatory requirements for the time period. The total number of regulatory requirements is the sum of daily, weekly, and monthly compliance standards.

Data Collection Method
All samples collected are compared with the State or Federal regulatory standards and any violations are noted and reported in accordance with permit stipulations.

Frequency
The percent compliance measurement will be calculated quarterly, using running totals for the calendar year.

Measured By
The Treatment Division will prepare a report from the water quality and laboratory databases that identifies any samples or reportable incidents that do not meet regulatory standards.

Reporting
The Treatment Division Director will update the report quarterly from the water quality and laboratory databases. The information will be displayed in tabular form.

Used By
The Treatment Division Director and General Manager will use the information to gain a clearer understanding of performance of AWWU's treatment facilities and determine if changes in system operation or maintenance are required.

Results

		2022				Past Years					
Measure 1: Compliance with all State and Federal drinking water, wastewater, and clean air standards	**Goal**	**Q4**	**Q3**	**Q2**	**Q1**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Safe Drinking Water Act Compliance (%)				100	100	100	100	100	99.8	97.6	100
Clean Water Act (NPDES permit) Compliance (%)				100	99.78	100	100	100	100	100	100
-Asplund				100	100	99.95	99.6	97.8	99.7	100	100
-Eagle River				100	100	99.93	98.95	99.7	99.3	100	99.7
-Girdwood				100	98.5	99.48	99.43	99.4	100	100	99.7
Clean Air Act Compliance (%) (Asplund Incinerator)				100	100	100	99.99	100	100	100	99.99

Measure #2: Number of planned and unplanned water outages

Type
Effectiveness

Accomplishment Goal Supported
- Provide reliable service
- Provide safe drinking water that meets or exceeds all standards
- Protect the environment through appropriate wastewater collection, treatment, and disposal.
- Timely, professional, and courteous interactions with customers.
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future

Definition
A water outage is defined as a disruption in service to a service connection. A service connection serves one customer, although multiple people may be affected by the disruption in service to a residence or a business.

Data Collection Method
A tally is kept through each calendar month of the number of customers who experience planned and unplanned water service disruptions for a range of durations listed below. The outage is as reported to AWWU and confirmed by observation or analysis in the field.

Frequency
The measurement will be recorded at the beginning of each month for the preceding month.

Measured By
Number of customers who do not have water service for the following durations:
- Less than 4 hours
- Between 4 hours and 12 hours
- Greater than 12 hours

Disruptions are counted for planned activities (customers are given advance notice in writing) and unplanned (emergency) activities.

Reporting
The Strategic Asset Services Section will create a monthly report that will be show water outages numerically and graphically.

Used By
The O&M Division, Customer Service Division, and Strategic Asset Services Section and the General Manager will review these data monthly to evaluate adequacy of operation and maintenance approaches, customer service response and pipe condition.

Results

Measure 2: Number of planned and unplanned water outages (customers per month)	Goal (Affected customers per month)	2022 (monthly average)	4th Q 2022 (monthly average)	3rd Q 2022 (monthly average)	2nd Q 2022 (monthly average)	1st Q 2022 (monthly average)	Historical monthly average				
							2021	2020	2019	2018	2017
Planned Outages											
<4 hours	<20				0	2	1	30	11	10	10
4-12 hours	<20				4	0	10	23	37	16	71
>12 hours	0				0	0	3	0	0	3	0.2
Unplanned Outages											
<4 hours	<20				34	6	34	63	17	38	15
4-12 hours	<50				17	15	28	32	36	42	38
>12 hours	0				4	0	3	3	3	11	3

Measure #3: Sanitary Sewer Overflows

Type
Effectiveness

Accomplishment Goals Supported
- Provide reliable service.
- Timely, professional, and courteous interactions with customers.
- Protect the environment through appropriate wastewater collection, treatment, and disposal.
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future.

Definition
Total number of wastewater overflows onto the ground or wastewater back-ups into customer residences if caused by an obstruction in an AWWU sewer main, manhole, or cleanout. Overflows or backups that occur due to on-property blockages do not count.

Data Collection Method
The reportable number of sanitary sewer overflows is what is reported in writing to the EPA Region X office within a week of each occurrence.

Frequency
The measurement will be recorded each month for the previous month.

Measured By
Data collection is by direct observation by AWWU staff.

Reporting
The O&M Division will create a monthly report displaying overflow data numerically and graphically.

Used By
The O&M Division, Customer Service Division, and Strategic Asset Services Section and the General Manager will review these data monthly to evaluate adequacy of operation and maintenance approaches, customer service response and pipe condition.

Results

	Goal	2022				Historical monthly average					
		Q4	Q3	Q2	Q1	2021	2020	2019	2018	2017	2016
Measure 3: Sanitary Sewer Overflows (monthly)	<1.5			1	0.33	1.75	1.1	1.33	1.23	0.91	1.48

Measure #4: Number of reportable injuries and accidents

Type
Effectiveness

Accomplishment Goal Supported
- Provide reliable service
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future.

Definition
Number of OSHA recordable incidents multiplied by 200,000 (# defined by OSHA as 100 employees working full-time for a year) divided by number of hours worked by all employees. Compare Recordable incident rate to standard industrial rate (SIR) for water and wastewater utilities.

Data Collection Method
Accident and near-miss reports.

Frequency
Annually.

Measured By
Safety Program Manager, Administrative Services Division.

Reporting
The Administrative Services Division will maintain an accident and near miss report on a monthly basis. Data will be compiled, summarized, and reported at the end of the year. Reportable incidence rates will appear mid-calendar year.

Used By
The Safety Manager, all Division Directors and the General Manager will use the report to monitor and adjust working practices and focus training and attention to hazardous situations.

Results

	Goal	2021	2020	2019	2018	2017	2016	2015
Measure 4: Number of reportable injuries and accidents (annual)	<4.60	3.44	.858	4.08	7.1	4.45	6.30	6.26

Note: Bureau of Labor Statistics (BLS) will normally post the previous year's incidence rate during the months of June or July. AWWU falls within the utilities sector of electric power generation, transmission, and distribution; natural gas distribution; and water, sewer, and other systems.

Update - From the Bureau of Labor Statistics: **Important note on future data:** Beginning with the 2016 reference year, the Survey of Occupational Injuries, and Illnesses (SOII) will present a single release of national data on **November 9, 2017**. This release will include industry counts and rates along with case circumstances and worker characteristics for cases requiring days away from work. In previous years, these data were released separately. State data was released on November 28, 2017. A similar schedule will be followed in subsequent years.

Measure #5: Execution of Capital Improvement Budget

Type
Efficiency

Accomplishment Goal Supported
- Provide reliable service
- Fiscal responsibility and transparency with utility finances.
- Rates that fairly reflect the cost of providing service and maintaining infrastructure
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future.

Definition
The ratio (as a percent) of capital project dollars expended through the fiscal year divided by the planned expenditure for the year as indicated in the approved Capital Improvement Budget.

Data Collection Method
Project Managers input % complete data and expected completion dates for each project named in the capital improvement budget.

Frequency
Estimates of the completeness (% complete) of all ongoing projects will be reported through the AWWU Engineering Division Project Management group annually and with quarterly updates to yearly progress.

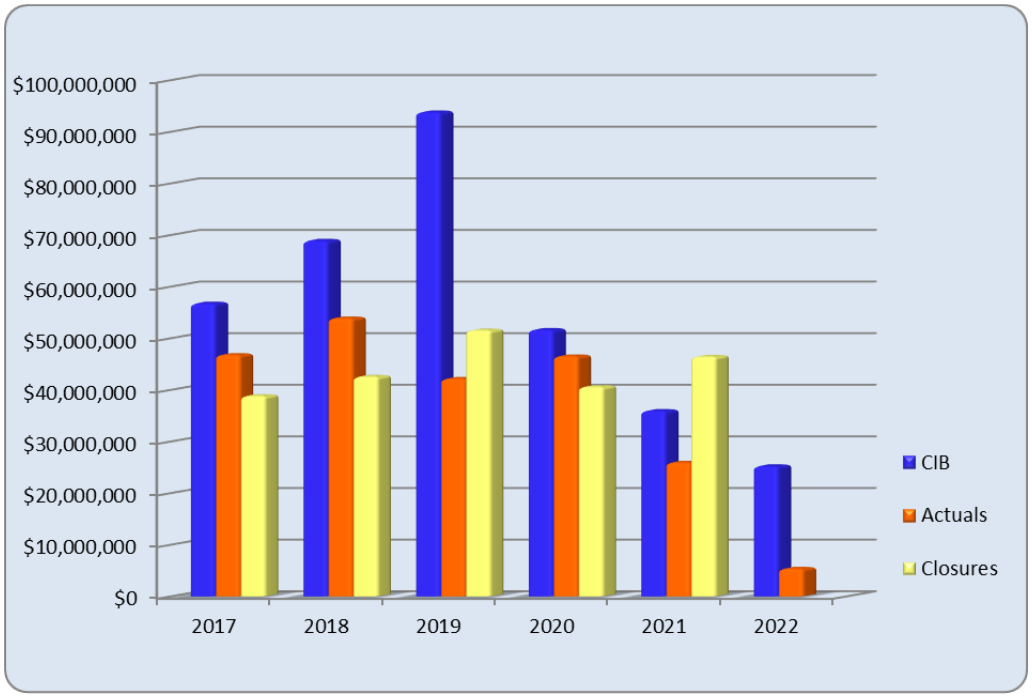
Measured By
The Engineering Division will keep track of this information using the ERP tracking and reporting system.

Reporting
The information will be displayed numerically and graphically in monthly reports.

Used By
The Engineering Director and General Manager will use this data to gauge progress on use of capital project funds.

Results

	Goal	2022	Historical Information				
			2021	2020	2019	2018	2017
Measure 5: Execution of Capital Improvement Budget (annual)	75%	21%	72%	90%	45%	78%	82%



Budget, Expenditures, and Closures through June of 2022

Measure #6: Debt to Equity Ratio

Type
Effectiveness

Accomplishment Goal Supported
- Fiscal responsibility and transparency with utility finances.
- Anticipate change and be prepared for the future.

Definition
The relative percentages of assets that are funded by debt and equity, respectively. The total of debt funding and equity funding equals 100%.

Data Collection Method
The calculation is performed by comparing debt and equity to assets annually.

Frequency

The measurement will be calculated annually upon completion of the Utility's audited financial statement.

Measured By
The Finance Division will calculate this ratio from financial statement data.

Reporting
The Finance Division manager will create and maintain an annual report. Trend information will be displayed in a table.

Used By
The information will be used by the Finance Division Director, General Manager, Board, and Administration to help evaluate debt financing levels.

Results

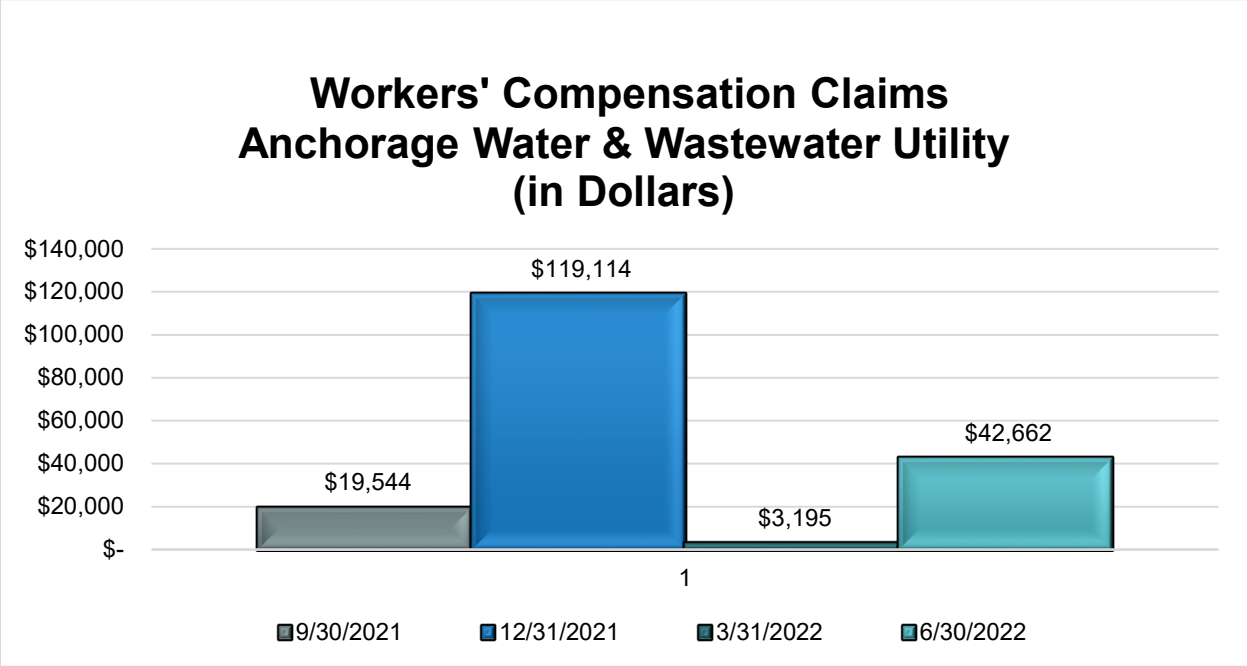
Measure 6: Debt to Equity Ratio (annual)	**Goal**	***2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Water Utility	67/33	54/46	56/44	58/42	60/40	61/39	62/38	63/37
Wastewater Utility	67/33	60/40	63/37	64/36	65/35	64/36	67/33	67/33

* Fiscal year 2021 ratios are based on draft unaudited numbers.

PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



About Anchorage Water & Wastewater Utility

Anchorage Water Utility History

From the first intake of water at Lower Ship Creek, and a few miles of wood stave water lines downtown more than 100 years ago, Anchorage's public water utility has grown into an enterprise with a net plant in service of approximately $550 million that delivers an average of 23 million gallons of water to customers each day. The original water system for Anchorage was installed by the Alaska Railroad in 1917. In 1921, the City purchased the water system and associated water rights from the Alaska Engineering Commission. As the City expanded by annexation, the water system was extended into new areas and independent water systems previously serving the annexed areas were acquired by the City. A 2.6-mile raw water line to Ship Creek was built in 1980 to replace an earlier raw water main originally constructed in 1962 for the Ship Creek Water Treatment Facility (WTF). In the 1950's, an aqueduct was drilled through the mountains north of Anchorage to supply water from Eklutna Lake to the Eklutna hydroelectric power plant along the Knik River. In 1985, the Anchorage Water & Wastewater Utility (AWWU) tapped this aqueduct and connected a 7.8-mile-long transmission main (intake portal) to provide water from Eklutna Lake to the Eklutna Water Treatment Facility. A 22-mile-long water transmission main was constructed to distribute the treated water from Eklutna to Chugiak, Eagle River, and on into Anchorage.

Anchorage Sewer Utility History

The Alaska Engineering Commission first installed sewers in downtown Anchorage in 1916 along the lower bluff near the Alaska Railroad Depot. As Anchorage grew, construction of sewers continued and by the end of World War II, sewers were available in much of the area between Ship Creek and Chester Creek, west of Cordova Street. The Greater Anchorage Area Borough (GAAB) was created in 1964 and was granted area wide sewer authority. The last major private sewer utility was acquired by the GAAB in 1972. Investment by the GAAB in the 1970's constructed the J.M. Asplund Wastewater Treatment Facility (WWTF) for Anchorage, the Girdwood Wastewater Treatment Facility and the Eagle River Wastewater Treatment Facility. The wastewater utility is now owned and governed by the Municipality of Anchorage after unification of the City of Anchorage and the GAAB on September 15, 1975. The rivers, creeks, and inlets downstream from Anchorage's wastewater treatment facilities are not adversely impacted by treated effluent, which is AWWU's principal measure of success. The Anchorage community benefits from the superior operation of the three wastewater treatment plants that serve its growing population. Anchorage's public wastewater utility has grown into an enterprise with a net plant in service of approximately $423 million, treating an average of 29 million gallons of effluent each day.

Governance

AWWU has a seven-member Board of Directors as codified in Anchorage Municipal Code section 4.80.020. The Board is appointed by the Mayor to staggered 3-year terms, with nominees subject to the approval of the Anchorage Assembly. The Board, by code, makes recommendations to the Mayor, establishes procedures for customer complaints, and recommends changes in code to the Assembly that the Board deems necessary or desirable for the efficient operation of the Utility or for the benefit of its customers. The authority for operation and management of the Utility is under the control of the Mayor. The Board members are very experienced professionals in the fields of law, finance/accounting, engineering, and public health, in addition to 2 at-large citizen members. Regular meetings are held monthly and are open to the public. Board meetings focus on Utility operations and highlights.

Economic Regulation and Accounting
Since 1970, both the Anchorage Water Utility (AWU) and the Anchorage Wastewater Utility (ASU) have been regulated by the Alaska Public Utilities Commission, which was renamed the Regulatory Commission of Alaska (RCA) on July 1, 1999. AWU and ASU each hold a Certificate of Public Convenience and Necessity for serving portions of the Anchorage Bowl, Eagle River and Girdwood. The RCA must approve all rates and tariffs prior to implementation. They also regulate service areas and service quality. The RCA is composed of five members appointed to six-year staggered terms by the Governor of the State of Alaska and confirmed by the State Legislature.

AWWU is an Enterprise Fund. Enterprise Funds are used to account for operations where costs of providing services to the general public on a continuing basis are financed or recovered primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or change in net assets is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

AWWU applies all applicable provisions of the Governmental Accounting Standards Board which has authority for setting accounting standards for governmental entities. The accounting records of the Utility conform to the Uniform System of Accounts prescribed by the National Association of Regulatory Utility Commissioners. The accrual basis of accounting is used for Enterprise Funds. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized in the period incurred, if measurable.

AWWU's audited financial statements are available at Financial Statements | Anchorage Water and Wastewater Utility (awwu.biz)

Environmental Regulation
AWU's activities are dictated by a wide variety of environmental regulations administered by the Environmental Protection Agency (EPA) and the Alaska Department of Environmental Conservation (ADEC). Potable water produced by AWU must comply with the regulations promulgated under the Safe Drinking Water Act (SDWA). The SDWA is the main federal law governing the quality of drinking water in the United States. The ADEC has authority (primacy) to administer the SDWA regulations for the EPA. The SDWA sets standards for the chemical and microbial quality of drinking water and establishes requirements for informing the public.

ASU's activities are also dictated by a wide variety of environmental regulations administered by the EPA and the ADEC. All wastewater discharges must comply with the regulations promulgated under the Clean Water Act (CWA). The CWA is the main federal law governing discharges into the waters of the United States. The CWA requires that each treatment facility have a unique National Pollution Discharge Elimination System (NPDES) permit that specifies the discharge limits from each facility for a wide variety of chemical and biological constituents. The ADEC has authority (primacy) to issue and administer the NPDES permits for ASU's Eagle River and Girdwood WWTFs. Authority to issue and administer the 301(h) modification for the Asplund WWTF has been retained by EPA, due to the special conditions of this discharge as outlined in section 301(h) of the CWA. In addition to the CWA laws, ASU's sewage sludge incinerator must also comply with the provisions specified in Title V of the Clean Air Act (CAA). ADEC has primacy for the CAA and administers the permit for EPA.

Failure to comply with the regulations promulgated under the SDWA, CWA and CAA can result in fines and/or compliance orders and criminal charges.

Physical Plant

The John M. Asplund WWTF is one of the few facilities in the nation operating as a primary treatment facility under Section 301(h) of the Clean Water Act. The primary treatment provided by this facility removes up to 46% of the biological oxygen demand and 80% of the solids from the influent wastewater meeting the criteria necessary for discharge to the marine waters of Cook Inlet.

The smaller Eagle River WWTF and Girdwood WWTF provide advanced secondary treatment prior to discharge to Eagle River and Glacier Creek, respectively. These facilities remove up to 99% of the pollutants from the incoming wastewater prior to discharge.

In 2020, the Asplund WWTF treated an average of 26.9 million gallons per day (mgd). The Eagle River WWTF treated an average 1.3 mgd and the Girdwood WWTF treated an average 0.5 mgd. The three facilities have a combined design capacity of 61.1 mgd. The wastewater collection system has approximately 764 miles of pipes.

The Asplund Facility, built in 1972, is Alaska's largest wastewater treatment plant. As wastewater treatment technology and the demands of community growth have developed over the last two decades, utility operators and engineers have kept pace. The Asplund plant underwent major renovations in 1982 and expanded and upgraded again in 1989.

A facilities plan update was prepared in 1999. The 1999 facilities plan evaluated the existing condition of the Asplund facility and identified improvements necessary to meet the future needs of the community. The facilities plan identified over $40 million worth of improvements to the solids handling, headworks, administration, laboratory, incineration, thickening processes and control and power systems. AWWU undertook a majority of the recommended Asplund projects. These projects, along with careful operation, have made Asplund a modern, state-of-the-art treatment facility. In 2014, an updated facilities plan was prepared for Asplund. The plan recommended over $17M of additional investment in Asplund over ten years' time to rehabilitate and maintain aging infrastructure. A significant portion of those recommendations have been completed since 2014. ASU continues to maintain its smaller treatment plants. Additional projects at Eagle River and Girdwood are underway, all designed to replace, rehabilitate, and provide for the near-term needs of the areas being serviced.

AWU's three sources of water are Eklutna Lake, Ship Creek and groundwater accessed through a system of wells in the Northern Communities, the Anchorage Bowl, and Girdwood Valley. Eklutna Water Treatment Facility and the wells which supply Girdwood are operated year-round and serve as the primary supply sources for the two water systems. The Ship Creek Water Treatment Facility and the remainder of water wells are used to augment the primary water supply as well as provide redundancy to the Eklutna source for Eagle River and the Anchorage Bowl.

Of these sources, the Eklutna WTF now provides, on average, 91 percent of total water production for the Northern Communities and the Anchorage Bowl. In Girdwood, where system demand constitutes less than 2 percent of AWWU's total water production, all water produced and distributed is from two wells.

Projects to maintain the surface water plants and AWU wells are on-going. The purpose of these projects is multiple fold: to rehabilitate and upgrade facilities where equipment has reached the end of its useful life; to automate and increase operational efficiency of facilities; to increase yield from existing well sites; and to meet stricter federal and state regulations regarding water quality.

Visit the AWWU website at: https://www.awwu.biz/

Anchorage Water & Wastewater Utility

Highlights and Future Events

Refinancing Short-Term Borrowing Program
On July 14, 2022, the outstanding balances in the AWWU short-term borrowing program were converted to 10-year revenue bonds for $40 million (approximately $20 million/utility). This refinancing fixed the interest rate at 3.56%, reducing risk of increasing interest rates, and put the principal balance into repayment.

Infrastructure Resiliency
With the uncertainty of national economic conditions, the utility is seeing a positive return on several key efforts that increase our service resiliency such as efficient treatment process upgrades at Asplund Wastewater Treatment Facility and Utility Asset Management Software. In 2021 Asplund Wastewater Treatment plant increased the storage capabilities from 13,500 gallons to 53,300 gallons for the chemical sodium hypochlorite produced at the facility. The increased storage of the chemical largely eliminated the need for purchase of the chemical, meaning the utility is less susceptible to supply chain concerns.

In addition, AWWU has increased the integration and capacity of asset management analyses and planning with our operational and capital efforts. The increased investment in programmatic condition assessment of the water and sewer systems provides up-to-date status of equipment and components allowing for analyses in the Utility's Asset Management Information System (AMIS). This AMIS software checks the condition of assets against the asset management policies of the utility to replace or rehabilitate assets on a risk and needs basis, as opposed to age. This enhanced data capture and analyses extends the life of capital assets, in consideration of operational offsets.

Inflation
Inflation has affected the utility in many areas, but particularly chemicals, fuel, and utilities.

Staffing
As is happening at a national level, finding qualified applicants has been a challenge to the utility. This has caused delays in needed activities such as preventative maintenance potentially costing the utility more money in the future.

Supply Chain
Some pumps, motors and other items have been a challenge to receive due to global supply chain issues.

Federal Infrastructure Loans and Grants
Congress has authorized infrastructure grants/loans throughout the nation. Much has been targeted toward Water and Wastewater Utilities. Most of these funds will run through the State's Revolving Loan program administered by the Alaska Department of Environmental Compliance. By the current definition of "Disadvantaged Community," AWWU does not qualify for grants or loan forgiveness. AWWU is in ongoing discussions with the State of Alaska to qualify for grant and loan forgiveness.

Cybersecurity
The utility industry and AWWU have been declared critical infrastructure and will likely continue to endure cybersecurity threats for the foreseeable future. AWWU has been proactive in planning and implementing measures to prevent, protect, and mitigate any current potential threat. In 2022 and beyond this will require AWWU to continue to acquire and implement the necessary goods and services required to maintain the utility's cybersecurity. The utility will look for and identify one-time opportunities aligned with the utility's implementation of cybersecurity as well as monitor and identify any reoccurring cybersecurity expense that may qualify for special funding.

Rate Increases Requested and Approved

	Requested Permanent Rate Increases		Approved Rate Increases		Comments
	AWU	ASU	AWU	ASU	
2004	14.20%	8.10%	13.60 %	8.10%	
2005	7.20%	6.80%	7.80%	3.00%	
2006	8.90%	10.60%	6.50%	10.60%	
2007	14.50%	13.00%	7.00%	9.50%	
2008	-	-	-	-	
2009	7.00%	6.50%	5.60%	6.50%	
2010	2.50%	2.50%	2.50%	2.50%	
2011	8.00%	15.00%	8.00%	15.00%	
2012	6.00%	11.00%	6.00%	11.00%	
2013	6.00%	4.50%	6.00%	4.50%	
2014	4.00%	5.50%	2.30%	4.30%	
2015	-	-	-	-	Rate changes were not requested by AWWU for 2015.
2016	-	-	-	-	Rate changes were not requested by AWWU for 2016.
2017	-	9.50%	-	9.50%	
2018	3.00%	2.50%	3.00%	1.00%	
2019	7.00%	9.50%	6.50%	6.90%	
2020	-	-	-	-	Rate changes were not requested by AWWU for 2020.
2021	**2%**	**8%**	**2%**	**8%**	
2022	**1.75%**	**3.75%**			**Rate case is still pending with RCA**
2023	**1.98%**	**0.84%**			**Rate case not yet filed.**

To improve its debt position, AWWU must continue to request reasonable rates while controlling expenses. The budget provided in this package provides just such a balance.

Anchorage Water & Wastewater Utility
External Impacts

Wastewater Treatment Facilities Discharge Permits
The State of Alaska Department of Environmental Conservation (ADEC) assumed authority for permitting wastewater discharges for the Girdwood and Eagle River Wastewater Treatment Facilities (WWTF) in November 2008. The Girdwood WWTF permit has been administratively extended by ADEC and continues to be effective and enforceable until a new permit is issued. The Eagle River WWTF permit was reissued by ADEC in 2020 and is valid for at least five years.

Authorization of discharge into marine waters from the Asplund WWTF remains under the auspices of the U.S. Environmental Protection Agency (EPA). The EPA is currently evaluating the Utility's application for reauthorization of the permit allowing only primary treatment, in accordance with criteria set out in Section 301(h) of the Clean Water Act. Subsequent to the agency's determination that the Asplund discharge meets the 301(h) criteria, EPA will consult with the National Marine Fisheries Service (NMFS) on the effects of the permit reauthorization on endangered species (i.e., the Cook Inlet beluga whale). If NMFS finds that the discharge reauthorization is likely to jeopardize continued existence of the species or adversely modify critical habitat, NMFS may impose conditions on the permit to mitigate the effects on the species. EPA has notified AWWU that they have targeted September 2022 to complete the review of the extension of the 301(h) permit.

Infrastructure
The infrastructure required to provide reliable water and sewer service requires continual annual capital investments to maintain expected service levels and prudently mitigate long term risk. Anchorage Water and Wastewater Utility (AWWU) continuously evaluates Anchorage Water Utility and Anchorage Sewer Utility assets using industry standard best management practices through our asset management program which identifies the need for specific capital projects. In this program, AWWU performs extensive condition assessment monitoring and evaluation using both AWWU staff and specialized contractors. This work culminates in business case analyses that best determine solutions offering the lowest overall life cycle costs.

The November 2018 earthquake was an empirical data point that exhibited the benefit of successful strategic investments made by AWWU over the last decade. While the earthquake did cause significant damage to AWWU systems, operations staff were able to maintain uninterrupted and reliable water and wastewater services through that catastrophic event. As such, AWWU has begun to modestly scale back capital investment.

Anchorage Water & Wastewater Utility
Capital Overview

Capital Project Selection Process
Anchorage Water and Wastewater Utility (AWWU) continuously evaluates Anchorage Water Utility (AWU) and Anchorage Sewer Utility (ASU) assets using industry standard best management practices which identify the need for capital projects. As assets age and deteriorate over time they become problematic and either disproportionately lower customer levels of service, have disproportionately high operations and maintenance cost, or increase risk liability. Capital project expenditures address one or more of these issues. The typical origin of capital projects is from facility plans, asset management plans, master plans, or day to day operations. AWWU has the following types of capital projects:

- Water Treatment Facility Plant
- Water Transmission or Distribution
- Sewer Trunk or Collection System
- Wastewater Treatment Facility Plant
- Other Facilities and Plant not directly involved:
    - The treatment of raw water or delivery of finished water
    - The collection or treatment of sanitary sewer
- Miscellaneous Equipment (non-dedicated to a specific facility or location)
- Facility Plans and Master Plans
- Information Technology Hardware and Software
- Vehicles

For an issue of concern, not previously identified, to become a capital project listed above, AWWU develops a Business Case Evaluation (BCE) which summarizes the concern, identifies alternative solutions, and calculates the risk matrix score. AWWU uses a standardized risk matrix to score different aspects of potential projects like safety, security, criticality, customer needs, maintenance requirements, and financial benefit. The matrix score produces a risk number so projects in different categories can be compared (i.e., Water Treatment Facility Plant project vs. Information Technology Hardware and Software Project). AWWU takes these justification documents (BCE and matrix score) and in conjunction with the long-range financial plan, selects which capital projects to move forward and schedules them within the 6-year Capital Improvement Plan.

Significant Projects
Water Treatment Facility Plant Projects include improvements and equipment for the Eklutna Water Treatment Facility, Ship Creek Water Treatment Facility, and any source water improvements including wells or well sites.

Wastewater Treatment Facility Plant Projects include improvements and equipment for the Eagle River Wastewater Treatment Facility, Asplund Wastewater Treatment Facility, Girdwood Wastewater Treatment Facility, and Septage Receiving Stations.

Water Transmission and Distribution System Projects are any improvements to the pipe network of the distribution system from Eklutna Lake to Potter Valley in Anchorage and the distribution system in Girdwood.

Sewer Collection System Projects are any improvements to the pipe network of the sanitary sewer collection systems in Eagle River, Anchorage, and Girdwood.

For both AWU and ASU, general and intangible plant improvements are broken into the following projects:

- Facility and Master Plans
- Information Technology Hardware and Software
- Other Plant and Facilities include improvements to those facilities not directly associated with:
    - The treatment of raw water or delivery of finished water
    - The collection or treatment of sanitary sewer
- Miscellaneous Equipment (non-dedicated to a specific facility or location)
- Vehicles

A portion of annual capital funding is reserved for unplanned projects in any of the aforementioned categories and unanticipated coordination due to unplanned projects of agencies such as the Alaska Department of Transportation and Public Facilities or MOA Project Management and Engineering.

Impacts on Future Operating Budgets

One of the overarching goals of AWWU is to balance the ratepayer's expected level of service while maintaining reasonable rates. Rates are a function of both capital spend and annual operating expenses. One of the intents, among many, of the Capital Program is to decrease long term operating expenses. Other objectives of the Capital Program, such as risk mitigation, level of service adjustment, and parity replacement of existing infrastructure do not materially impact future operating budgets. The balance between current capital spend and future operating budgets is a function of AWWU's long-range financial plan that identifies the available capital funding in consideration of anticipated operational costs. AWWU's project selection process prioritizes the greatest operational cost savings for the ratepayers given prudent utility industry practices.

Anchorage Water Utility
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	66,345	64,084	70,671	73,622	76,292	78,982	81,792	84,702
Expenses and Transfers [1]	54,434	58,164	61,163	63,640	65,800	67,680	69,620	71,580
Net Income (Loss)	**11,911**	**5,920**	**9,508**	**9,982**	**10,492**	**11,302**	**12,172**	**13,122**
Charges by/to Other Departments	2,391	2,349	2,573	2,727	2,891	3,064	3,248	3,443
Municipal Enterprise/Utility Service Assessment	9,726	9,201	9,463	11,150	11,850	12,580	13,330	14,120
Dividend to General Government	-	300	800	1,000	1,000	1,000	1,000	1,000
Transfers to General Government [2]	**12,117**	**11,850**	**12,836**	**14,877**	**15,741**	**16,644**	**17,578**	**18,563**
Operating Cash	34,393	28,070	19,777	15,663	15,485	16,644	18,127	20,025
Construction Cash Pool	18,021	39,522	39,677	39,840	39,961	40,038	40,094	40,128
Restricted Cash	8,995	11,000	11,500	13,000	13,000	13,000	13,000	13,000
Total Cash	**61,409**	**78,592**	**70,954**	**68,503**	**68,446**	**69,682**	**71,221**	**73,153**
Net Position/Equity 12/31	199,172	207,651	217,159	227,141	237,633	248,935	261,107	274,229
Capital Assets Beginning Balance	575,564	572,448	580,796	585,192	590,245	593,740	595,949	598,243
Asset Additions Placed in Service	14,948	26,927	23,345	24,382	23,519	22,589	23,064	25,039
Assets Retired	(2,932)	(3,900)	(3,800)	(3,900)	(3,800)	(3,900)	(3,800)	(3,900)
Change Depreciation (Increase)/Decrease	(15,132)	(14,679)	(15,149)	(15,429)	(16,224)	(16,480)	(16,970)	(17,260)
Net Capital Assets (12/31)	**572,448**	**580,796**	**585,192**	**590,245**	**593,740**	**595,949**	**598,243**	**602,122**
Equity Funding Available for Capital	10,000	10,000	14,000	10,000	8,000	7,000	7,000	8,000
Debt								
New Debt - Bonds[3]	-	132	-	-	-	-	-	-
New Debt - Loans or Other	13,938	10,000	6,000	11,000	13,000	13,500	13,500	13,500
Total Outstanding LT Debt	235,606	228,622	216,833	210,228	204,935	199,556	193,315	187,219
Total Annual Debt Service Payment	18,315	22,434	23,351	23,020	23,556	24,146	24,802	24,429
Debt Service Requirement	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**
Debt Service Coverage (Bond)	3.37	2.77	2.55	2.72	2.83	2.86	2.98	3.18
Debt Service Coverage (Total)	1.62	1.24	1.25	1.29	1.30	1.30	1.31	1.37
Debt/Equity Ratio	54 / 46	52 / 48	50 / 50	48 / 52	46 / 54	44 / 56	43 / 57	41 / 59
Rate Change Percent[4]	2.00%	1.75%	1.98%	5.50%	3.50%	3.50%	3.50%	3.50%
Single Family Rate ($)	56.12	58.74	59.90	63.20	65.41	67.70	70.07	72.52
Statistical/Performance Trends								
Number of Accounts	56,805	56,902	56,998	57,095	57,192	57,289	57,387	57,484
Average Treatment (MGD)	22.0	22.0	22.1	22.1	22.1	22.2	22.2	22.3
Miles of Water Lines	851	852	854	855	857	858	860	861
Number of Public Hydrants	6,104	6,114	6,125	6,135	6,146	6,156	6,167	6,177

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

[3] 2022 Bond Issue will pay off existing short-term borrowing program debt, no new proceeds are anticipated

[4] 2021 rate increase effective date was requested to be 4/1/2021 to minimize impacts during COVID

Millions Gallons/Day (MGD)

Anchorage Water Utility
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Residential Sales	46,301,249	47,185,000	(564,000)	46,621,000	1,516,000	48,137,000	3.25%
Commercial Sales	13,041,294	15,099,000	(692,000)	14,407,000	513,000	14,920,000	3.56%
Public Authority Sales	5,305,044	4,634,000	196,000	4,830,000	(106,000)	4,724,000	-2.19%
Miscellaneous	1,298,197	1,369,000	(83,000)	1,286,000	54,000	1,340,000	4.20%
Total Operating Revenue	**65,945,783**	**68,287,000**	**(1,143,000)**	**67,144,000**	**1,977,000**	**69,121,000**	**2.94%**
Non Operating Revenue							
Investment Income	373,985	(4,208,226)	4,520,276	312,050	1,233,000	1,545,050	395.13%
Other Income	24,956	4,991	9	5,000	-	5,000	0.00%
Total Non Operating Revenue	**398,942**	**(4,203,235)**	**4,520,285**	**317,050**	**1,233,000**	**1,550,050**	**388.90%**
Total Revenue	**66,344,725**	**64,083,765**	**3,377,285**	**67,461,050**	**3,210,000**	**70,671,050**	**4.76%**
Operating Expense							
Salaries and Benefits	17,289,394	18,009,242	854,624	18,863,866	108,970	18,972,836	0.58%
Overtime	814,145	849,299	(396,299)	453,000	-	453,000	0.00%
Total Labor	18,103,539	18,858,541	458,325	19,316,866	108,970	19,425,836	0.56%
Supplies	1,722,432	2,197,638	47,879	2,245,517	199,690	2,445,207	8.89%
Travel	1,193	71,741	24,959	96,700	-	96,700	0.00%
Contractual/Other Services	6,117,396	7,089,763	536,003	7,625,766	434,610	8,060,376	5.70%
Dividend to General Government	-	300,000	-	300,000	500,000	800,000	166.67%
Manageable Direct Cost Total	7,841,020	9,659,142	608,841	10,267,983	1,134,300	11,402,283	11.05%
Municipal Enterprise/Utility Service Assessment	9,725,556	9,200,923	1,045,175	10,246,098	(783,332)	9,462,766	-7.65%
Depreciation/Amortization	12,739,734	13,106,740	-	13,106,740	234,773	13,341,513	1.79%
Non-Manageable Direct Cost Total	22,465,290	22,307,663	1,045,175	23,352,838	(548,559)	22,804,279	-2.35%
Charges by/to Other Departments	2,391,127	2,348,551	140,905	2,489,456	83,359	2,572,815	3.35%
Intradepartmental Overheads	(840,740)	(645,661)	230,504	(415,157)	(11,877)	(427,034)	2.86%
Total Operating Expense	**49,960,236**	**52,528,236**	**2,483,750**	**55,011,986**	**766,193**	**55,778,179**	**1.39%**
Non Operating Expense							
Amortization of Debt Expense	(868,806)	(864,000)	-	(864,000)	(51,096)	(915,096)	5.91%
Debt Issuance Costs	64,000	200,000	250,000	450,000	(250,000)	200,000	-55.56%
Interest on Bonded Debt	4,539,087	5,000,000	-	5,000,000	-	5,000,000	0.00%
Interest on Loans	1,624,139	1,950,000	-	1,950,000	(150,000)	1,800,000	-7.69%
Interest During Construction (AFUDC)	(884,719)	(650,000)	(50,000)	(700,000)	-	(700,000)	0.00%
Total Non Operating Expense	**4,473,700**	**5,636,000**	**200,000**	**5,836,000**	**(451,096)**	**5,384,904**	**-7.73%**
Total Expense	**54,433,936**	**58,164,236**	**2,683,750**	**60,847,986**	**315,097**	**61,163,083**	**0.52%**
Net Income (Loss)	**11,910,788**	**5,919,529**	**693,535**	**6,613,064**	**2,894,903**	**9,507,967**	**43.78%**
Appropriation:							
Total Expense		**58,164,236**	**60,847,986**	**60,847,986**	**2,998,847**	**61,163,083**	**0.52%**
Less: Non Cash Items							
Depreciation/Amortization		13,106,740	-	13,106,740	234,773	13,341,513	1.79%
Amortization of Debt Expense		(864,000)	-	(864,000)	(51,096)	(915,096)	5.91%
Interest During Construction (AFUDC)		(650,000)	(50,000)	(700,000)	-	(700,000)	0.00%
Total Non-Cash		11,592,740	(50,000)	11,542,740	183,677	11,726,417	1.59%
Amount to be Appropriated (Function Cost/Cash Expense)		**46,571,496**	**2,733,750**	**49,305,246**	**131,420**	**49,436,666**	**0.27%**

Anchorage Water Utility
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	**49,305,246**	**238**	**-**	**4**
Transfers by/to Other Departments				
- Charges by Other Departments	83,359	-	-	-
- Municipal Utility Service Assessment (MUSA)	(783,332)	-	-	-
- Dividend	500,000	-	-	-
2022 One-Time Requirements				
- REVERSE Temporary Accounting Manager - Backfill for Retiree (5 months)	(34,150)	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	143,120	-	-	-
- Depreciation	234,773	-	-	-
- Non-Operating Expense - Amoritzation of Debt Expense	(51,096)	-	-	-
- Debt Issuance Costs	(250,000)	-	-	-
- Gasoline	61,920	-	-	-
- Diesel	90,343	-	-	-
- Repair & Maintenance Supplies	82,000	-	-	-
- Chemicals	15,737	-	-	-
2023 Continuation Level	**49,397,920**	**238**	**-**	**4**
2023 Proposed Budget Changes				
- Information Technology Services	21,700	-	-	-
- Information Technology Other Professional Services	24,100	-	-	-
- Computer Hardware Maintenance	8,765	-	-	-
- Computer Software Maintenance	24,832	-	-	-
- Engineering Other Professional Services	143,026	-	-	-
2023 Proposed Budget	**49,620,343**	**238**	**-**	**4**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- Depreciation and Amortization	(234,773)	-	-	-
- Amortization of Debt Expense	51,096	-	-	-
2023 Proposed Budget (Appropriation)	**49,436,666**	**238**	**-**	**4**
		2023 Proposed FTE		
Position count is for both Water and Wastewater utilities, FTE shows allocation of the positions to this utility.		**110.7**	**-**	**2.6**

Anchorage Water Utility Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
484 520 Zone Conversion	-	-	-	1,500	1,500
Alaska Department of Transportation-MOA Emergency	-	-	-	1,000	1,000
Eklutna Water Treatment Facility Process Improvements	-	-	-	435	435
Eklutna Water Treatment Facility Supervisory Control and Data Acquisition Backbone/Fire Improvements	-	-	-	1,700	1,700
Facility Equipment	-	-	-	1,000	1,000
Facility Plant	-	-	-	1,000	1,000
Girdwood Well Rehabilitation	1,762	-	-	2,038	3,800
Heavy Rolling Stock	-	-	-	750	750
Hydraulic Model Upgrades	-	-	-	50	50
Information Technology Administrative Systems WTR Pool	-	-	-	65	65
Information Technology Infrastructure	-	-	-	300	300
Miscellaneous Information Technology Systems	-	-	-	15	15
Mockingbird Drive Water Rehabilitation	-	-	-	110	110
Park Down Estates Water Upgrade	-	-	-	1,600	1,600
Pressure Regulating Valve Replacement	-	-	-	300	300
Supervisory Control and Data Acquisition Equipment	-	-	-	300	300
Tanglewood Place Water Rehabilitation	-	-	-	617	617
Vehicles	-	-	-	500	500
Water Meter Upgrades	-	-	-	720	720
Total	**1,762**	**-**	**-**	**14,000**	**15,762**

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
ADOT-MOA Emergency						
Alaska Department of Transportation-MOA Emergency	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Equipment						
Facility Equipment	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Facility Plant	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Global Positioning System Unit Upgrades	2027	-	-	-	25	25
Information Technology Infrastructure	2023	-	-	-	300	300
	2024	-	-	-	300	300
	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
		-	-	-	1,800	1,800
Supervisory Control and Data Acquisition Equipment	2023	-	-	-	300	300

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
	2024	-	-	-	300	300
	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
		-	-	-	1,800	1,800
Water Meter Upgrades	2023	-	-	-	720	720
	2024	-	-	-	400	400
	2025	-	-	-	400	400
		-	-	-	1,520	1,520
Facilities						
Eklutna Water Treatment Facility Architectural Structural Improvements	2027	850	-	-	-	850
Eklutna Water Treatment Facility Building Improvements	2027	1,030	-	-	-	1,030
Eklutna Water Treatment Facility Fluoride Improvements	2027	1,000	-	-	-	1,000
Eklutna Water Treatment Facility Motor Control Center Upgrade	2024	4,000	-	-	-	4,000
Eklutna Water Treatment Facility Process Improvements	2023	-	-	-	435	435
	2024	1,800	-	-	-	1,800
		1,800	-	-	435	2,235
Eklutna Water Treatment Facility Supervisory Control and Data Acquisition Backbone/Fire Improvements	2023	-	-	-	1,700	1,700
	2024	400	-	-	300	700
		400	-	-	2,000	2,400
Headquarters Lighting Upgrades	2025	-	-	-	120	120
Ship Creek Water Treatment Facility Plan	2027	350	-	-	-	350
Management Information Systems						

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Customer Information System Replacement	2024	-	-	-	500	500
	2025	-	-	-	1,500	1,500
		-	-	-	2,000	2,000
Depreciation Study	2028	-	-	-	50	50
Geographic Information System Application Development	2024	-	-	-	45	45
	2026	-	-	-	45	45
	2028	-	-	-	45	45
		-	-	-	135	135
Hydraulic Model Upgrades	2023	-	-	-	50	50
	2024	-	-	-	50	50
	2025	-	-	-	50	50
	2026	-	-	-	50	50
	2027	-	-	-	50	50
	2028	-	-	-	50	50
		-	-	-	300	300
Information Technology Administrative Systems WTR Pool	2023	-	-	-	65	65
	2024	-	-	-	65	65
	2025	-	-	-	65	65
	2026	-	-	-	65	65
	2027	-	-	-	65	65
	2028	-	-	-	65	65
		-	-	-	390	390
Miscellaneous Information Technology Systems	2023	-	-	-	15	15
	2024	-	-	-	15	15
	2025	-	-	-	15	15
	2026	-	-	-	15	15
	2027	-	-	-	15	15
	2028	-	-	-	15	15
		-	-	-	90	90
Plant						
484 520 Zone Conversion	2023	-	-	-	1,500	1,500

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
520 440 Zone Conversion	2027	750	-	-	-	750
520 Reservoir & Transmission Main	2027	1,500	-	-	-	1,500
	2028	2,000	-	-	-	2,000
		3,500	-	-	-	3,500
570 600 Zone Conversion	2027	170	-	-	180	350
Alyeska Subdivision Water Improvements	2025	800	-	-	-	800
	2026	2,000	-	-	-	2,000
		2,800	-	-	-	2,800
Booster 20 Access Improvements	2027	-	-	-	100	100
Bragaw 16th Debarr Water Upgrade	2026	1,400	-	-	-	1,400
Chlorine Analyzer Upgrade	2024	-	-	-	1,050	1,050
Dowling Road Pressure Regulating Valve	2027	-	-	-	940	940
East 42nd Lake Otis to Piper Water Rehabilitation	2024	2,300	-	-	-	2,300
East 7th Lane Pine Water Rehabilitation	2026	1,712	-	-	-	1,712
Eklutna Water Transmission Main Valve Vault Rehabilitation	2024	-	-	-	2,250	2,250
Eklutna Water Transmission Main Valve Vault Rehabilitation Phase II	2025	-	-	-	1,000	1,000
	2026	2,585	-	-	1,665	4,250
		2,585	-	-	2,665	5,250
Girdwood Reservoir Improvements	2025	250	-	-	250	500
	2026	1,500	-	-	-	1,500
		1,750	-	-	250	2,000
Girdwood Well Rehabilitation	2023	1,762	-	-	2,038	3,800
Gold Kings Water Main Replacement	2027	-	-	-	75	75

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
High Pressure Hydrants Underground Pressure Regulating Valves	2025	-	-	-	250	250
Kincaid Reservoir Expansion	2027	1,250	-	-	-	1,250
	2028	85	-	-	1,915	2,000
		1,335	-	-	1,915	3,250
Mockingbird Drive Water Rehabilitation	2023	-	-	-	110	110
Park Down Estates Water Upgrade	2023	-	-	-	1,600	1,600
Plant Oversize & Betterments	2024	-	-	-	10	10
	2026	-	-	-	10	10
	2028	-	-	-	10	10
		-	-	-	30	30
Port Tank Farm Water Main Replacement	2027	-	-	-	150	150
Pressure Regulating Valve Replacement	2023	-	-	-	300	300
	2024	-	-	-	300	300
	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
		-	-	-	1,500	1,500
Pressure Regulatory Valve Rock Catchers	2025	-	-	-	200	200
Red Currant Water Upgrade	2027	585	-	-	-	585
Tanglewood Place Water Rehabilitation	2023	-	-	-	617	617
The Ponds Water Main Upgrade	2027	1,500	-	-	-	1,500
Transmission Distribution System Upgrades	2027	1,000	-	-	-	1,000
	2028	-	-	-	1,000	1,000
		1,000	-	-	1,000	2,000
Tudor - Wright Water Upgrades	2025	2,200	-	-	-	2,200

Anchorage Water Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Upper Eagle River Fire Flow	2025	2,400	-	-	-	2,400
Well 4 Upgrade	2024	-	-	-	165	165
Vehicles/Fleet						
Heavy Rolling Stock	2023	-	-	-	750	750
	2024	-	-	-	750	750
	2025	-	-	-	750	750
	2026	-	-	-	750	750
	2027	-	-	-	750	750
	2028	-	-	-	750	750
		-	-	-	4,500	4,500
Vehicles	2023	-	-	-	500	500
	2024	-	-	-	500	500
	2025	-	-	-	500	500
	2026	-	-	-	500	500
	2027	-	-	-	500	500
	2028	-	-	-	500	500
		-	-	-	3,000	3,000
Water Closed Circuit Television Van Replacement	2027	-	-	-	250	250
	Total	**37,179**	**-**	**-**	**55,000**	**92,179**

484 520 Zone Conversion

Project ID	AWU2017002	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	June 2020
District		**End Date**	June 2026

Community Council

Description

Reconfigure the Lower Eagle River Water System to operate as one cohesive system connected to the proposed 520 Reservoir.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	1,500	-	-	-	-	-	1,500
Total (in thousands)		**1,500**	**-**	**-**	**-**	**-**	**-**	**1,500**

520 440 Zone Conversion

Project ID	AWU2017010	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027

Community Council

Description

Convert the 440 pressure zone in Eagle River to the 520 pressure zone to mitigate the risk of large water outages in the event of a distribution failure, cross-connections and water quality concerns.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	750	-	750
Total (in thousands)		**-**	**-**	**-**	**-**	**750**	**-**	**750**

520 Reservoir & Transmission Main

Project ID	AWU2017006	**Department**	Anchorage Water Utility
Project Type	New	**Start Date**	January 2027
District		**End Date**	December 2028
Community Council			

Description

Construct a water storage tank with a minimum capacity of 5 million gallons of storage to serve the 520 pressure zone in Eagle River to increase resiliency and meet minimum emergency water demands.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,500	2,000	3,500
Total (in thousands)		**-**	**-**	**-**	**-**	**1,500**	**2,000**	**3,500**

570 600 Zone Conversion

Project ID	AWU2017012	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Combine the 570 and 600 pressure zones to mitigate pressure surges and increase operating pressures, minimize the size of water outages when disruptions do occur, and upsize the station piping to meet current requirements.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	170	-	170
Net Position	540200 - Water Utility CIP	-	-	-	-	180	-	180
Total (in thousands)		**-**	**-**	**-**	**-**	**350**	**-**	**350**

Alaska Department of Transportation-MOA Emergency

Project ID	AWU2021013	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2021
District		**End Date**	December 2028
Community Council			

Description

Provides funding for AWWU projects of an emergency nature or done in conjunction with road agencies. These projects are developed as needed for emergency repairs to the distribution system and/or through coordination with the State of Alaska Department of Transportation & Public Facilities, Municipality of Anchorage Project Management & Engineering as well as other local/state agencies.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Booster 20 Access Improvements

Project ID	AWU2022012	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Abandon the underground Zodiak Booster Station by providing its functionality to the Service Reservoir site.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	100	-	100
Total (in thousands)		**-**	**-**	**-**	**-**	**100**	**-**	**100**

Bragaw 16th Debarr Water Upgrade

Project ID	AWU2017005	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	February 2018
District		**End Date**	August 2029
Community Council			

Description

Rehabilitate approximately 1,300 linear feet of 6-inch and 8-inch cast iron water pipe at the end of its useful life in Bragaw Street between East 16th Avenue and Debarr Road.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	1,400	-	-	1,400
Total (in thousands)		**-**	**-**	**-**	**1,400**	**-**	**-**	**1,400**

Chlorine Analyzer Upgrade

Project ID	AWU2016012	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	February 2018
District		**End Date**	October 2027
Community Council			

Description

Replace chlorine analyzers, pumps, and associated appurtenances at nine well sites throughout Anchorage.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	1,050	-	-	-	-	1,050
Total (in thousands)		**-**	**1,050**	**-**	**-**	**-**	**-**	**1,050**

Customer Information System Replacement

Project ID	AWU2021023	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2021
District		**End Date**	December 2025
Community Council			

Description

Replace the Customer Information System Banner software. The replacement will happen through a competitive procurement process and implementation effort. The new system will be selected and implemented with utility-wide cross-functional participation in order to meet the utility's needs and requirements, to include interfacing with other systems.

Comments

New project - has a related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	500	1,500	-	-	-	2,000
Total (in thousands)		**-**	**500**	**1,500**	**-**	**-**	**-**	**2,000**

Depreciation Study

Project ID	AWU2016002	**Department**	Anchorage Water Utility
Project Type	New	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Conduct a depreciation study of Anchorage Water Utility assets for use in rate making and other regulatory needs.

Comments

New project - has related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	-	50	50
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**50**	**50**

Dowling Road Pressure Regulating Valve

Project ID	AWU2014001	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	April 2017
District		**End Date**	November 2028
Community Council			

Description

Construct a Pressure Regulating Valve facility on Dowling Road and open the normally closed valve east of the Old Seward Highway and Dowling Road intersection, creating an additional feed into the central 260 hydraulic-grade-line sub-zone.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	940	-	940
Total (in thousands)		**-**	**-**	**-**	**-**	**940**	**-**	**940**

East 42nd Lake Otis to Piper Water Rehabilitation

Project ID	AWU2016010	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	February 2018
District		**End Date**	January 2025
Community Council			

Description

Rehabilitate approximately 2,700 linear feet of 8-inch cast iron and ductile iron water pipe at the end of its useful life on East 42nd Avenue between Lake Otis to Piper Street.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	2,300	-	-	-	-	2,300
Total (in thousands)		**-**	**2,300**	**-**	**-**	**-**	**-**	**2,300**

East 7th Lane Pine Water Rehabilitation

Project ID	AWU2016003	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	February 2018
District		**End Date**	October 2029
Community Council			

Description

Replace approximately 2,500 linear feet of water pipe on East 6th and 7th Avenues between Hoyt Street and Pine Street.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	1,712	-	-	1,712
Total (in thousands)		**-**	**-**	**-**	**1,712**	**-**	**-**	**1,712**

Eklutna Water Transmission Main Valve Vault Rehabilitation

Project ID	AWU2021016	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	March 2022
District		**End Date**	December 2025
Community Council			

Description

Rehabilitate or replace near-failure components of each of the valve vaults serving the Eklutna water transmission main. This project will be completed in phases.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	2,250	-	-	-	-	2,250
Total (in thousands)		**-**	**2,250**	**-**	**-**	**-**	**-**	**2,250**

Eklutna Water Transmission Main Valve Vault Rehabilitation Phase II

Project ID	AWU2022002	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	January 2025
District		**End Date**	December 2026
Community Council			

Description

Rehabilitate or Replace near-failure components of each of the valve vaults serving the Eklutna Water Transmission Main. This project will be completed in phases.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	2,585	-	-	2,585
Net Position	540200 - Water Utility CIP	-	-	1,000	1,665	-	-	2,665
Total (in thousands)		**-**	**-**	**1,000**	**4,250**	**-**	**-**	**5,250**

Eklutna Water Treatment Facility Architectural Structural Improvements

Project ID	AWU2018014	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

The objective of this project is to proactively rehabilitate structural components of the Eklutna Water Treatment Facility to prolong the life of assets showing signs of degradation as provided in the 2018 Eklutna Water Treatment Facility Plan.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	850	-	850
Total (in thousands)		**-**	**-**	**-**	**-**	**850**	**-**	**850**

Eklutna Water Treatment Facility Building Improvements

Project ID	AWU2018021	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027

Community Council

Description

The objective of this project is to replace building components that have reached the end of their useful life as provided in the 2018 Eklutna Water Treatment Facility Plan.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,030	-	1,030
Total (in thousands)		**-**	**-**	**-**	**-**	**1,030**	**-**	**1,030**

Eklutna Water Treatment Facility Fluoride Improvements

Project ID	AWU2018001	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027

Community Council

Description

This project involves replacing the existing 30-year-old dry fluoride system with a new dry fluoride system. Updated equipment would provide increased operator safety and higher fluoride feed accuracy.

Comments

Active project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,000	-	1,000
Total (in thousands)		**-**	**-**	**-**	**-**	**1,000**	**-**	**1,000**

Eklutna Water Treatment Facility Motor Control Center Upgrade

Project ID	AWU2018003	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	December 2017
District		**End Date**	April 2026
Community Council			

Description

Replace the motor control centers in the main electrical room, waste wash-water station, and other locations at the Eklutna Water Treatment Facility per the 2018 Eklutna Water Treatment Facility Plan.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	4,000	-	-	-	-	4,000
Total (in thousands)		**-**	**4,000**	**-**	**-**	**-**	**-**	**4,000**

Eklutna Water Treatment Facility Process Improvements

Project ID	AWU2018019	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2022
District		**End Date**	December 2024
Community Council			

Description

Upgrade and rehabilitate components of process systems at the Eklutna Water Treatment Facility to increase reliability and prolong the life of the assets as provided in the 2018 Eklutna Water Treatment Facility Plan.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	1,800	-	-	-	-	1,800
Net Position	540200 - Water Utility CIP	435	-	-	-	-	-	435
Total (in thousands)		**435**	**1,800**	**-**	**-**	**-**	**-**	**2,235**

Eklutna Water Treatment Facility Supervisory Control and Data Acquisition Backbone/Fire Improvements

Project ID	AWU2018004	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2019
District		**End Date**	June 2027
Community Council			

Description

Upgrade Eklutna Water Treatment Facility communications system. Replace communication wiring in multiple Eklutna Water Treatment Facility buildings, between devices and process logic controller, and complete new programming to achieve system integration.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	400	-	-	-	-	400
Net Position	540200 - Water Utility CIP	1,700	300	-	-	-	-	2,000
Total (in thousands)		**1,700**	**700**	**-**	**-**	**-**	**-**	**2,400**

Facility Equipment

Project ID	AWU2021007	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2027
District		**End Date**	December 2030

Community Council

Description

This pool will provide for the purchase of new equipment for the replacement of worn equipment within the water distribution system. Examples of such equipment include pumps, electric motors, instruments, air conditioning equipment, electrical switch gear, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Facility Plant

Project ID	AWU2021012	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2023
District		**End Date**	December 2029

Community Council

Description

This pool will provide for the purchase of new equipment for the replacement of worn equipment in the water treatment system. Examples of such equipment include pumps, electric motors, instruments, air conditioning equipment, electrical switch gear, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Geographic Information System Application Development

Project ID	AWU2021002	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2024
District		**End Date**	December 2028
Community Council			

Description

Geographic information systems (GIS) work to perform work associated with development of applications for essential business functions on an annual basis. The Utility relies heavily on GIS and mapping based on self-service to meet business needs.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	45	-	45	-	45	135
Total (in thousands)		**-**	**45**	**-**	**45**	**-**	**45**	**135**

Girdwood Reservoir Improvements

Project ID	AWU2022004	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2026
Community Council			

Comments

Perform necessary structural and safety upgrades to the Girdwood Reservoir.

Legislative Scope

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	250	1,500	-	-	1,750
Net Position	540200 - Water Utility CIP	-	-	250	-	-	-	250
Total (in thousands)		**-**	**-**	**500**	**1,500**	**-**	**-**	**2,000**

Girdwood Well Rehabilitation

Project ID	AWU2018026	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	March 2027
Community Council			

Description

The Girdwood Well is the sole source of water supply that AWWU serves the Girdwood Community. The well house is in need of rehabilitation as the assets have failed and/or maintenance has been recently completed.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	1,762	-	-	-	-	-	1,762
Net Position	540200 - Water Utility CIP	2,038	-	-	-	-	-	2,038
Total (in thousands)		**3,800**	**-**	**-**	**-**	**-**	**-**	**3,800**

Global Positioning System Unit Upgrades

Project ID	AWU2022007	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Purchase a minimum of two (2) high resolution global positioning system (GPS) units for use in downtown Anchorage and Girdwood.

Comments

New project - has a related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	25	-	25
Total (in thousands)		**-**	**-**	**-**	**-**	**25**	**-**	**25**

Gold Kings Water Main Replacement

Project ID	AWU2022006	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate or replace approximately 40 linear feet of 1995 8-inch ductile iron water main on Gold Kings Avenue with a high rate of failure due to corrosion.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	75	-	75
Total (in thousands)		**-**	**-**	**-**	**-**	**75**	**-**	**75**

Headquarters Lighting Upgrades

Project ID	AWU2019011	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	December 2017
District		**End Date**	February 2025

Community Council

Description

Upgrade lighting at 3000 Arctic Blvd in accordance with the Lighting Assessment and Recommendations report prepared by PDC Engineers. Work includes replacement of existing interior fluorescent and metal halide lighting, interior exit, and emergency lighting,

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	120	-	-	-	120
Total (in thousands)		**-**	**-**	**120**	**-**	**-**	**-**	**120**

Heavy Rolling Stock

Project ID	AWU2021010	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2023
District		**End Date**	December 2028
Community Council			

Description

For the acquisition, rehabilitation, or replacement of heavy rolling stock vehicles. Includes vactors, loaders, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	750	750	750	750	750	750	4,500
Total (in thousands)		**750**	**750**	**750**	**750**	**750**	**750**	**4,500**

High Pressure Hydrants Underground Pressure Regulating Valves

Project ID	AWU2022003	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2025
Community Council			

Description

Remove four (4) underground high pressure regulating valves to reduce pressure surges that have caused frequently flooded vaults.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	250	-	-	-	250
Total (in thousands)		**-**	**-**	**250**	**-**	**-**	**-**	**250**

Hydraulic Model Upgrades

Project ID	AWU2021005	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Upgrades to the water hydraulic model for essential business functions on annual basis. AWWU relies heavily on hydraulic models to meet business needs.

Comments

Annual Funding Pool - has related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	50	50	50	50	50	50	300
Total (in thousands)		**50**	**50**	**50**	**50**	**50**	**50**	**300**

Information Technology Administrative Systems WTR Pool

Project ID	AWU2021001	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, acquisition, and upgrade of Information Technology (IT) systems related to the Customer Service IT Master Plan System Category. Systems include Banner CIS, Neptune Meter Reading, Cash Register, Bill Payment and Presentment, Infor Permitting, Backflow, Teledig, and Outage Notification.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	65	65	65	65	65	65	390
Total (in thousands)		**65**	**65**	**65**	**65**	**65**	**65**	**390**

Information Technology Infrastructure

Project ID	AWU2021003	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, upgrade and replacement of Information Technology infrastructure including servers, network, storage, and security.

Comments

Annual Funding Pool - has related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	300	300	300	300	300	300	1,800
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

Kincaid Reservoir Expansion

Project ID	AWU2017007	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2029

Community Council

Description

Construct 5 million gallons or more of storage to serve the 260 pressure zone in Anchorage to meet operational and emergency needs while increasing fire flows.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,250	85	1,335
Net Position	540200 - Water Utility CIP	-	-	-	-	-	1,915	1,915
Total (in thousands)		**-**	**-**	**-**	**-**	**1,250**	**2,000**	**3,250**

Miscellaneous Information Technology Systems

Project ID	AWU2021004	**Department**	Anchorage Water Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, acquisition, and upgrade of Information Technology systems related to the Work Management System Category. Systems include Maximo, Fuel Management, and DataSplice.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	15	15	15	15	15	15	90
Total (in thousands)		**15**	**15**	**15**	**15**	**15**	**15**	**90**

Mockingbird Drive Water Rehabilitation

Project ID	AWU2016011	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	December 2024
Community Council			

Description

Upgrade approximately 332 linear feet of 1975 12-inch ductile iron pipe along Mockingbird Drive and install a new mainline valve to minimize outages during a mainline break.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	110	-	-	-	-	-	110
Total (in thousands)		**110**	**-**	**-**	**-**	**-**	**-**	**110**

Park Down Estates Water Upgrade

Project ID	AWU2020003	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	June 2020
District		**End Date**	March 2024
Community Council			

Description

Rehabilitate or replace water mains and water services as needed in the Parkdown Estates Cul-de-Sacs off E6th Ave and Boniface Parkway.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	1,600	-	-	-	-	-	1,600
Total (in thousands)		**1,600**	**-**	**-**	**-**	**-**	**-**	**1,600**

Plant Oversize & Betterments

Project ID	AWU2021015	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2024
District		**End Date**	December 2029
Community Council			

Description

This funding is required to compensate private developers for AWWU requested betterments to AWWU's existing infrastructure or for AWWU requested oversizing of water mains installed by the developers.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	10	-	10	-	10	30
Total (in thousands)		**-**	**10**	**-**	**10**	**-**	**10**	**30**

Port Tank Farm Water Main Replacement

Project ID	AWU2022008	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2027
District		**End Date**	January 2029
Community Council			

Description

Rehabilitate or replace approximately 20 linear feet of 1967 ductile iron water main for resilient fire protection in a high-risk area.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	150	-	150
Total (in thousands)		**-**	**-**	**-**	**-**	**150**	**-**	**150**

Pressure Regulating Valve Replacement

Project ID	AWU2020004	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	May 2022
District		**End Date**	September 2028
Community Council			

Description

Replace failing and nonstandard pressure regulating valve components and appurtenances throughout the AWU Distribution System.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	300	300	300	300	300	-	1,500
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**-**	**1,500**

Pressure Regulatory Valve Rock Catchers

Project ID	AWU2022001	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2025

Community Council

Description

Install debris filters at six (6) pressure regulating valves to stop the accumulation of debris in the valves and prolong the asset life.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	200	-	-	-	200
Total (in thousands)		**-**	**-**	**200**	**-**	**-**	**-**	**200**

Red Currant Water Upgrade

Project ID	AWU2022009	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate or replace corroded water assets on Red Currant Circle with a high rate of failure.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	585	-	585
Total (in thousands)		**-**	**-**	**-**	**-**	**585**	**-**	**585**

Ship Creek Water Treatment Facility Plan

Project ID	AWU2018023	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Prepare a Facility Plan for the Ship Creek Water Treatment Facility. The Facility Plan will recommend rehabilitation and upgrades to the overall plant.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	350	-	350
Total (in thousands)		**-**	**-**	**-**	**-**	**350**	**-**	**350**

Supervisory Control and Data Acquisition Equipment

Project ID	AWU2021008	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2022
District		**End Date**	January 2029
Community Council			

Description

Equipment upgrades and/or additions as services are added and technology ages. These may include, but are not limited to, upgrades to logic controllers, software replacement, and intelligence upgrades.

Comments

Annual Funding Pool - has related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	300	300	300	300	300	300	1,800
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

Tanglewood Place Water Rehabilitation

Project ID	AWU2017015	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	July 2025

Community Council

Description

Construct a water intertie at Tanglewood Place and Milky Way Drive. Rehabilitate the 6□inch cast-iron water main along Tanglewood Place.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	617	-	-	-	-	-	617
Total (in thousands)		**617**	**-**	**-**	**-**	**-**	**-**	**617**

The Ponds Water Main Upgrade

Project ID	AWU2022010	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate or replace corroded water assets between the hydrants on Lily Pond and Ponds Circles.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,500	-	1,500
Total (in thousands)		**-**	**-**	**-**	**-**	**1,500**	**-**	**1,500**

Transmission Distribution System Upgrades

Project ID	AWU2021022	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2027
District		**End Date**	December 2028

Community Council

Description

Estimated capital needs of the water distribution and treatment system for projects yet to be identified through predictive maintenance, preventative maintenance, corrective maintenance, studies, and plans. These projects yet to be identified are not for the next fiscal year, but for CIP out years only. The annual estimate is based on the: Average time between failures of an asset, Average remaining useful life for the sum of assets in the water distribution system, Labor and resources dedicated to corrective maintenance, Work orders, Performance of an asset: Operational Cost vs. the Capital Cost

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	1,000	-	1,000
Net Position	540200 - Water Utility CIP	-	-	-	-	-	1,000	1,000
Total (in thousands)		**-**	**-**	**-**	**-**	**1,000**	**1,000**	**2,000**

Tudor - Wright Water Upgrades

Project ID	AWU2019001	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	March 2021
District		**End Date**	February 2025

Community Council

Description

This project contains two phases: Phase 1 will rehabilitate most of the water main at the intersection of Tudor Road and Wright Street. Phase II will address lack of water redundancy in the neighborhood south of the intersection that experiences higher-than-average asset failures due to corrosion and large water outage areas when repairs are made.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	2,200	-	-	-	2,200
Total (in thousands)		**-**	**-**	**2,200**	**-**	**-**	**-**	**2,200**

Upper Eagle River Fire Flow

Project ID	AWU2016001	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	March 2017
District		**End Date**	August 2027

Community Council

Description

Improve peak flows to upper Eagle River zones through upgrades to two existing booster stations as well as the installation of interies and associated appurtenances for zone consolidation resulting in a more robust distribution system.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	2,400	-	-	-	2,400
Total (in thousands)		**-**	**-**	**2,400**	**-**	**-**	**-**	**2,400**

Vehicles

Project ID	AWU2021011	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2020
District		**End Date**	December 2029
Community Council			

Description

Provides funding for major rehabilitation or replacement of AWWU fleet vehicles at the end of their useful life.

Comments

Annual Funding Pool - has related Sewer Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	500	500	500	500	500	500	3,000
Total (in thousands)		**500**	**500**	**500**	**500**	**500**	**500**	**3,000**

Water Closed Circuit Television Van Replacement

Project ID	AWU2022011	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Acquire a closed circuit television (CCTV) van for use exclusively on the water distribution system.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	-	-	-	250	-	250
Total (in thousands)		**-**	**-**	**-**	**-**	**250**	**-**	**250**

Water Meter Upgrades

Project ID	AWU2021017	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	September 2022
District		**End Date**	December 2026
Community Council			

Description

This project will replace approximately 8,000 water meter interface units near failure to provide accurate customer billing.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	720	400	400	-	-	-	1,520
Total (in thousands)		**720**	**400**	**400**	**-**	**-**	**-**	**1,520**

Well 4 Upgrade

Project ID	AWU2019012	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	May 2018
District		**End Date**	November 2027
Community Council			

Description

Replace chlorine analyzer and pump, install new outfall line for drainage from well discharge during startup.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	165	-	-	-	-	165
Total (in thousands)		**-**	**165**	**-**	**-**	**-**	**-**	**165**

Anchorage Wastewater Utility
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	63,180	64,112	68,644	71,138	76,428	80,628	83,548	85,378
Expenses and Transfers [1]	54,725	59,199	61,622	63,502	64,620	66,100	67,710	69,610
Net Income (Loss)	**8,455**	**4,913**	**7,022**	**7,636**	**11,808**	**14,528**	**15,838**	**15,768**
Charges by/to Other Departments	2,348	2,352	2,521	2,672	2,833	3,003	3,183	3,374
Municipal Enterprise/Utility Service Assessment	7,440	7,035	7,285	8,540	8,970	9,430	9,920	10,560
Dividend to General Government	-	-	-	-	-	-	-	-
Transfers to General Government [2]	**9,788**	**9,387**	**9,740**	**11,212**	**11,803**	**12,433**	**13,103**	**13,934**
Operating Cash	23,960	24,037	19,004	17,883	17,883	19,345	20,927	22,000
Construction Cash Pool	10,724	33,356	33,694	33,849	33,787	33,972	38,866	43,930
Restricted Cash	10,314	8,000	9,000	10,000	10,000	10,000	10,000	10,000
Total Cash	**44,998**	**65,393**	**61,698**	**61,732**	**61,670**	**63,317**	**69,793**	**75,930**
Net Position/Equity 12/31	130,912	138,718	145,740	153,376	165,184	179,712	195,550	211,318
Capital Assets Beginning Balance	452,604	447,423	464,950	460,004	459,214	458,894	459,075	464,738
Asset Additions Placed in Service	12,538	35,729	13,764	18,220	19,000	19,821	25,683	26,585
Assets Retired	(1,083)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)
Change Depreciation (Increase)/Decrease	(16,636)	(14,602)	(15,110)	(15,410)	(15,720)	(16,040)	(16,420)	(17,000)
Net Capital Assets (12/31)	**447,423**	**464,950**	**460,004**	**459,214**	**458,894**	**459,075**	**464,738**	**470,723**
Equity Funding Available for Capital	10,000	10,000	10,000	7,000	10,000	12,000	13,000	15,000
Debt								
New Debt - Bonds [3]	-	128	-	-	-	-	-	-
New Debt - Loans or Other	7,963	8,000	4,000	7,500	5,000	4,000	8,500	7,500
Total Outstanding LT Debt	198,067	192,162	180,779	172,670	161,599	149,095	141,041	133,103
Total Annual Debt Service Payment	14,163	18,511	19,896	19,952	20,154	20,411	20,274	18,917
Debt Service Requirement	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**
Debt Service Coverage (Bond)	3.90	3.34	2.66	2.64	3.06	3.29	3.41	4.08
Debt Service Coverage (Total)	1.73	1.39	1.26	1.26	1.43	1.54	1.61	1.73
Debt/Equity Ratio	60 / 40	58 / 42	55 / 45	53 / 47	49 / 51	45 / 55	42 / 58	39 / 61
Rate Change Percent [4]	8.00%	3.75%	0.84%	4.50%	7.50%	5.30%	3.50%	2.00%
Single Family Rate ($)	52.43	54.63	55.09	57.57	61.89	65.17	67.45	68.80
Statistical/Performance Trends								
Number of Accounts	57,599	57,697	57,795	57,893	57,992	58,090	58,189	58,288
Average Treatment (MGD)	29.3	29.3	29.4	29.4	29.5	29.5	29.6	29.7
Miles of Wastewater Lines	765	766	768	769	770	772	773	774

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

[3] 2022 Bond Issue will pay off existing short-term borrowing program debt, no new proceeds are anticipated

[4] 2021 rate increase effective date was requested to be 4/1/2021 to minimize impacts during COVID

Millions Gallons/Day (MGD)

Anchorage Wastewater Utility
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Residential Sales	46,532,460	49,083,000	(43,000)	49,040,000	414,000	49,454,000	0.84%
Commercial Sales	12,777,748	14,280,000	(440,000)	13,840,000	360,000	14,200,000	2.60%
Public Authority Sales	2,685,287	2,837,000	(123,000)	2,714,000	128,000	2,842,000	4.72%
Miscellaneous	883,178	946,000	29,000	975,000	(59,000)	916,000	-6.05%
Total Operating Revenue	**62,878,674**	**67,146,000**	**(577,000)**	**66,569,000**	**843,000**	**67,412,000**	**1.27%**
Non Operating Revenue							
Investment Income	279,171	(3,044,018)	3,287,068	243,050	979,000	1,222,050	402.80%
Total Non Operating Revenue	**301,540**	**(3,034,018)**	**3,287,068**	**253,050**	**979,000**	**1,232,050**	**386.88%**
Total Revenue	**63,180,214**	**64,111,983**	**2,710,068**	**66,822,050**	**1,822,000**	**68,644,050**	**2.73%**
Operating Expense							
Salaries and Benefits	16,804,645	17,129,231	1,194,488	18,323,719	60,081	18,383,800	0.33%
Overtime	442,994	385,904	33,596	419,500	-	419,500	0.00%
Total Labor	17,247,638	17,515,135	1,228,084	18,743,219	60,081	18,803,300	0.32%
Supplies	2,449,648	2,780,933	289,509	3,070,442	20,015	3,090,457	0.65%
Travel	5,801	80,960	21,140	102,100	-	102,100	0.00%
Contractual/Other Services	9,948,157	11,907,227	222,790	12,130,017	308,326	12,438,343	2.54%
Dividend to General Government	-	-	-	-	-	-	0.00%
Manageable Direct Cost Total	12,403,606	14,769,120	533,439	15,302,559	328,341	15,630,900	2.15%
Municipal Enterprise/Utility Service Assessment	7,439,635	7,034,578	(33,684)	7,000,894	284,521	7,285,415	4.06%
Depreciation/Amortization	12,538,601	13,164,282	-	13,164,282	358,100	13,522,382	2.72%
Non-Manageable Direct Cost Total	19,978,236	20,198,860	(33,684)	20,165,176	642,621	20,807,797	3.19%
Charges by/to Other Departments	2,347,739	2,352,312	102,861	2,455,173	66,108	2,521,281	2.69%
Intradepartmental Overheads	(382,010)	(236,160)	(141,505)	(377,665)	5,151	(372,514)	-1.36%
Total Operating Expense	**51,595,209**	**54,599,266**	**1,689,196**	**56,288,462**	**1,102,302**	**57,390,764**	**1.96%**
Non Operating Expense							
Amortization of Debt Expense	(720,200)	(700,000)	-	(700,000)	31,374	(668,626)	-4.48%
Debt Issuance Costs	64,000	200,000	250,000	450,000	(250,000)	200,000	-55.56%
Interest on Bonded Debt	3,355,467	4,000,000	-	4,000,000	-	4,000,000	0.00%
Interest on Loans	1,492,572	1,900,000	-	1,900,000	(300,000)	1,600,000	-15.79%
Interest During Construction (AFUDC)	(1,062,213)	(800,000)	(100,000)	(900,000)	-	(900,000)	0.00%
Total Non Operating Expense	**3,129,626**	**4,600,000**	**150,000**	**4,750,000**	**(518,626)**	**4,231,374**	**-10.92%**
Total Expense	**54,724,835**	**59,199,266**	**1,839,196**	**61,038,462**	**583,676**	**61,622,138**	**0.96%**
Net Income (Loss)	**8,455,380**	**4,912,716**	**870,872**	**5,783,588**	**1,238,324**	**7,021,912**	**21.41%**
Appropriation:							
Total Expense		**59,199,266**	**1,839,196**	**61,038,462**	**583,676**	**61,622,138**	**0.96%**
Less: Non Cash Items							
Depreciation/Amortization		13,164,282	-	13,164,282	358,100	13,522,382	2.72%
Amortization of Debt Expense		(700,000)	-	(700,000)	31,374	(668,626)	-4.48%
Interest During Construction (AFUDC)		(800,000)	(100,000)	(900,000)	-	(900,000)	0.00%
Total Non-Cash		11,664,282	(100,000)	11,564,282	389,474	11,953,756	3.37%
Amount to be Appropriated (Function Cost/Cash Expense)		**47,534,984**	**1,939,196**	**49,474,180**	**194,202**	**49,668,382**	**0.39%**

Anchorage Wastewater Utility
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	49,474,180	243	-	4
Transfers by/to Other Departments				
- Charges by Other Departments	66,108	-	-	-
- Municipal Utility Service Assessment (MUSA)	284,521	-	-	-
2022 One-Time Requirements				
- REVERSE Temporary Accounting Manager - Backfill for Retiree (5 months)	(34,150)	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	94,231	-	-	-
- Depreciation	358,100	-	-	-
- Non-Operating Expense - Debt Expense	(272,323)	-	-	-
- Non-Operating Expense - Amoritzation of Debt Expense	31,374	-	-	-
- Debt Issuance Costs	(250,000)	-	-	-
- Gasoline	61,920	-	-	-
- Diesel	90,343	-	-	-
- Fuel	8,600	-	-	-
- Engineering/Architectural Services	32,867	-	-	-
- Lab Supplies	9,025	-	-	-
- Tools	12,300	-	-	-
- Grounds Maintenance	12,945	-	-	-
- Contractual Services	22,000	-	-	-
2023 Continuation Level	**50,002,041**	**243**	**-**	**4**
2023 Proposed Budget Changes				
- Information Technology Services	21,700	-	-	-
- Information Technology Other Professional Services	25,350	-	-	-
- Computer Hardware Maintenance	8,765	-	-	-
2023 Proposed Budget	**50,057,856**	**243**	**-**	**4**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- Depreciation and Amortization	(358,100)	-	-	-
- Amortization of Debt Expense	(31,374)	-	-	-
2023 Proposed Budget (Appropriation)	**49,668,382**	**243**	**-**	**4**

	2023 Proposed FTE		
Position count is for both Water and Wastewater utilities, FTE shows allocation of the positions to this utility.	**136.9**	**-**	**1.0**

Anchorage Wastewater Utility Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
Alaska Department of Transportation-MOA Emergency	-	-	-	1,000	1,000
Asplund Wastewater Treatment Facility National Pollution Discharge Elimination System Permit Renewal	-	-	-	2,000	2,000
D-2-4 Trunk Improvements	2,550	-	-	-	2,550
Facility Equipment	-	-	-	1,000	1,000
Facility Plant	-	-	-	1,000	1,000
Fats, Oils, Grease (FOG) Receiving Station	-	-	-	500	500
Girdwood Sewer Rehabilitation & Replacement	-	-	-	1,000	1,000
Girdwood Wastewater Treatment Facility Blower Upgrade	-	-	-	540	540
Girdwood Wastewater Treatment Facility Recycled Water System	-	-	-	200	200
Heavy Rolling Stock	-	-	-	750	750
Hydraulic Model Upgrades	-	-	-	50	50
Information Technology Administrative Systems SWR Pool	-	-	-	65	65
Information Technology Infratructure	-	-	-	300	300
King Street Main Building Improvements	4,043	-	-	-	4,043
Miscellaneous Information Technology Systems	-	-	-	15	15
Pump Station 12 Force Main Interceptor C Gravity Junction Rehabilitation	-	-	-	400	400
Pump Station 2 Rehabilitation	350	-	-	380	730
Supervisory Control and Data Acquisition Equipment	-	-	-	300	300
Vehicles	-	-	-	500	500
Total	**6,943**	**-**	**-**	**10,000**	**16,943**

Anchorage Wastewater Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
ADOT-MOA Emergency						
Alaska Department of Transportation-MOA Emergency	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Equipment						
Facility Equipment	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Facility Plant	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Global Positioning System Unit Upgrades	2027	-	-	-	25	25
Information Technology Infratructure	2023	-	-	-	300	300
	2024	-	-	-	300	300
	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
		-	-	-	1,800	1,800

Anchorage Wastewater Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Supervisory Control and Data Acquisition Equipment	2023	-	-	-	300	300
	2024	-	-	-	300	300
	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
		-	-	-	1,800	1,800
Facilities						
Girdwood Wastewater Treatment Facility Blower Upgrade	2023	-	-	-	540	540
King Street Campus Expansion	2026	-	-	-	2,700	2,700
King Street Main Building Improvements	2023	4,043	-	-	-	4,043
Management Information Systems						
Customer Information System Replacement	2024	-	-	-	500	500
	2025	-	-	-	1,500	1,500
		-	-	-	2,000	2,000
Depreciation Study	2028	-	-	-	50	50
Geographic Information System Application Development	2024	-	-	-	45	45
	2026	-	-	-	45	45
	2028	-	-	-	45	45
		-	-	-	135	135
Hydraulic Model Upgrades	2023	-	-	-	50	50
	2024	-	-	-	50	50
	2025	-	-	-	50	50
	2026	-	-	-	50	50
	2027	-	-	-	50	50
	2028	-	-	-	50	50
		-	-	-	300	300

Anchorage Wastewater Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Information Technology Administrative Systems SWR Pool	2023	-	-	-	65	65
	2024	-	-	-	65	65
	2025	-	-	-	65	65
	2026	-	-	-	65	65
	2027	-	-	-	65	65
	2028	-	-	-	65	65
		-	-	-	390	390
Miscellaneous Information Technology Systems	2023	-	-	-	15	15
	2024	-	-	-	15	15
	2025	-	-	-	15	15
	2026	-	-	-	15	15
	2027	-	-	-	15	15
	2028	-	-	-	15	15
		-	-	-	90	90
Plant						
Asplund Wastewater Treatment Facility National Pollution Discharge Elimination System Permit Renewal	2023	-	-	-	2,000	2,000
Asplund Wastewater Treatment Facility Supervisory Control and Data Acquisition Gas Panel Replacement	2027	-	-	-	250	250
D-2-4 Trunk Improvements	2023	2,550	-	-	-	2,550
Eagle River Wastewater Treatment Heating, Ventilation, and Air Conditioning and Safety Improvement	2028	-	-	-	2,400	2,400
Eagle River Wastewater Treatment Facility Biological Process Improvements	2028	-	-	-	1,350	1,350
Eagle River Wastewater Treatment Facility Building, Site and Headworks Improvements	2028	-	-	-	760	760
Eagle River Wastewater Treatment Facility Control Panel Improvements	2028	-	-	-	1,130	1,130

Anchorage Wastewater Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Eagle River Wastewater Treatment Facility Motor Control Center, Electrical Panel, and Lighting Impro	2028	-	-	-	1,510	1,510
Eagle River Wastewater Treatment Facility Tertiary Filter Improvements	2028	2,730	-	-	-	2,730
Fats, Oils, Grease (FOG) Receiving Station	2023	-	-	-	500	500
	2028	2,000	-	-	-	2,000
		2,000	-	-	500	2,500
Girdwood Sewer Rehabilitation & Replacement	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Girdwood Wastewater Treatment Facility Recycled Water System	2023	-	-	-	200	200
King Street Combined Heat and Power Conversion	2028	435	-	-	65	500
King Street Grit Facility Upgrades	2028	-	-	-	500	500
Large Diameter Sewer Manholes	2024	735	-	-	1,465	2,200
Plant Oversize & Betterments	2024	-	-	-	10	10
	2026	-	-	-	10	10
	2028	-	-	-	10	10
		-	-	-	30	30
Pump Station 12 Force Main Interceptor C Gravity Junction Rehabilitation	2023	-	-	-	400	400
Pump Station 2 Rehabilitation	2023	350	-	-	380	730
Pump Station 55 Upgrade	2028	-	-	-	500	500

Anchorage Wastewater Utility Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Pump Station 71 Upgrades	2028	-	-	-	700	700
Vehicles/Fleet						
Heavy Rolling Stock	2023	-	-	-	750	750
	2024	-	-	-	750	750
	2025	-	-	-	750	750
	2026	-	-	-	750	750
	2027	-	-	-	750	750
	2028	-	-	-	750	750
		-	-	-	4,500	4,500
Vehicles	2023	-	-	-	500	500
	2024	-	-	-	500	500
	2025	-	-	-	500	500
	2026	-	-	-	500	500
	2027	-	-	-	500	500
	2028	-	-	-	500	500
		-	-	-	3,000	3,000
	Total	**12,843**	**-**	**-**	**55,470**	**68,313**

Alaska Department of Transportation-MOA Emergency

Project ID	ASU2021012	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2020
District		**End Date**	December 2029
Community Council			

Description

Provides funding for AWWU projects of an emergency nature or done in conjunction with road agencies. These projects are developed as needed for emergency repairs to the collection system and/or through coordination with the State of Alaska Department of Transportation & Public Facilities, Municipality of Anchorage Project Management & Engineering as well as other local/state agencies.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Asplund Wastewater Treatment Facility National Pollution Discharge Elimination System Permit Renewal

Project ID	ASU2021014	**Department**	Anchorage Wastewater Utility
Project Type	New	**Start Date**	January 2022
District		**End Date**	December 2027
Community Council			

Description

Renew the National Pollutant Discharge Elimination System (NPDES) permit under Section 301(h) of the Clean Water Act for the John M. Asplund Water Pollution Control Facility (AWPCF), also known as the Asplund Wastewater Treatment Facility (AWWTF). This effort requires the coordination of municipal staff, legal experts, technical assistance from specialists in chemistry, marine biology, sedimentology, toxicology, estuarine hydrodynamics, and others.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	2,000	-	-	-	-	-	2,000
Total (in thousands)		**2,000**	**-**	**-**	**-**	**-**	**-**	**2,000**

Asplund Wastewater Treatment Facility Supervisory Control and Data Acquisition Gas Panel Replacement

Project ID	ASU2022001	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Purchase a new engineered, Underwriters' Laboratories (UL) listed gas control panel installed and integrated into the Supervisory Control and Data Acquisition system at Asplund Wastewater Treatment Facility.

Comments

New Project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	250	-	250
Total (in thousands)		**-**	**-**	**-**	**-**	**250**	**-**	**250**

Customer Information System Replacement

Project ID	ASU2021018	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2024
District		**End Date**	December 2025
Community Council			

Description

Replace the Customer Information System Banner software. The replacement will happen through a competitive procurement process and implementation effort. The new system will be selected and implemented with utility-wide cross-functional participation in order to meet the utility's needs and requirements, to include interfacing with other systems.

Comments

New project - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	500	1,500	-	-	-	2,000
Total (in thousands)		**-**	**500**	**1,500**	**-**	**-**	**-**	**2,000**

D-2-4 Trunk Improvements

Project ID	ASU2016009	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	April 2017
District		**End Date**	December 2024

Community Council

Description

This project will be a combination of replacing assets, relocating assets, abandoning assets, and lining assets to reduce accelerated line cleaning, improve access for line cleaning, and increase sewer pipe offset distance from vertical structures. The scope will include constructing 2,200 linear feet of sewer pipe, eleven (11) sewer manholes, and 1,500 liner feet of access road.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	2,550	-	-	-	-	-	2,550
Total (in thousands)		**2,550**	**-**	**-**	**-**	**-**	**-**	**2,550**

Depreciation Study

Project ID	ASU2016004	**Department**	Anchorage Wastewater Utility
Project Type	New	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Conduct a depreciation study of Sewer Utility assets for use in rate making and other Regulatory needs.

Comments

New project - has related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	50	50
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**50**	**50**

Eagle River Wastewater Treatment Heating, Ventilation, and Air Conditioning and Safety Improvement

Project ID	ASU2022005	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Install fiberglass infill panels to reduce openings between rails to less than 4-inch on-center wherever public access is expected in the Eagle River Wastewater Treatment Facility. Install additional emergency lights and illuminated exit signs in Building 2, additional lighting and new illuminated exit signs. Upgrade PA system components to restore full functionality of the PA system. Replace the heating, ventilation, and air-conditioning (HVAC) systems in Building 1 including in the admin area, garage/shop areas and process areas. Replace unit heaters in the process area and relocate for better access for maintenance. Replace the HVAC systems in Building 2 including the unit heaters, makeup air units, fans and dampers. Reconfigure the boiler vent piping to prevent frosting of the air intakes in Building 4.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	2,400	2,400
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**2,400**	**2,400**

Eagle River Wastewater Treatment Facility Biological Process Improvements

Project ID	ASU2022015	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Install wye cleanouts, and/or manholes on the existing 48-inch primary effluent pipeline at Eagle River Wastewater Treatment Facility that will enable access to the pipeline interior by the sewer crews and their jetting equipment. Periodic cleaning would help assess whether the 48-inch primary effluent line is a contributing factor for excessive filamentous growth. Rehabilitate the gravity thickener, procure spare primary thickened sludge pump components, and replace the panel equipment serving the existing gravity belt thickeners.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	1,350	1,350
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**1,350**	**1,350**

Eagle River Wastewater Treatment Facility Building, Site and Headworks Improvements

Project ID	ASU2022006	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Install channel inserts or use pressurized water to aid in grit removal from the influent channel in Building 4 of the Eagle River Wastewater Treatment Facility. Reduce the noise produced by the standby generator by installing acoustic panels or similar materials on the walls of the generator room and improve the seals on the existing doors. Install customized and prefabricated fiberglass enclosures around odor control fans in Building 1 and Building 4 to retain maintenance access to the fan equipment while significantly reducing the noise. Replace doors, frames, and hardware in Building 2 and add area heater to seasonally direct heated air at interior of double doors to prevent frost formation and maintain door operability. New door equipment and hardware should be selected for corrosion resistance. Replace the vertical ladder access to the mezzanine in the mechanical room with a ships stair to provide safer access to air handler units. Remove the curb and gutter in front of Building 2 and replace with small drainage ditch/channel to improve drainage away from building, repair existing storm water culverts, and address the drainage on the west side of Building 1.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	760	760
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**760**	**760**

Eagle River Wastewater Treatment Facility Control Panel Improvements

Project ID	ASU20220013	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Replace the existing panel equipment with new panels in the gravity belt thickener area and the polymer area below, Building 1 electrical room, and Building 2 electrical room at Eagle River Wastewater Treatment Facility. Replace all of the existing control panels for the primary clarifier equipment with panels which are properly suited for the humid and corrosive environment.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	1,130	1,130
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**1,130**	**1,130**

Eagle River Wastewater Treatment Facility Motor Control Center, Electrical Panel, and Lighting Impro

Project ID	ASU2022004	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028

Community Council

Description

Replace Square D Motor Control Centers (MCC) with Allen-Bradley Motor Control Centers at Eagle River Wastewater Treatment Facility. Replace all branch panels and relocate transformers feeding the three panels in the garage/shop to allow code-compliant clear working space in front of the panels. Replace MCC-1 and MCC-1X in Building 1, and MCC-2X in Building 2. Replace the branch panel equipment in Buildings 1 and 2 and add a third branch panel to Building 2 to allow for future expansion. Install additional emergency lights and illuminated exit signs in Building 2, to meet the minimum lighting level requirements along paths of egress. Replace all existing fluorescent and metal halide fixtures with new LED fixtures which will improve lighting levels and the overall quality of light, as well as provide substantial energy savings.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	1,510	1,510
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**1,510**	**1,510**

Eagle River Wastewater Treatment Facility Tertiary Filter Improvements

Project ID	ASU2022007	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Replace sand filter at Eagle River Wastewater Treatment Facility with compressible media filters, disk filters or pile cloth filters. These options fit in a smaller footprint which allows for greater hydraulic capacity, process redundancy, and will reduce or eliminate the need to bypass the tertiary filter for caustic cleaning. Cloth pile filter media could be replaced by AWWU personnel when needed.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	-	-	-	2,730	2,730
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**2,730**	**2,730**

Facility Equipment

Project ID	ASU2021007	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2022
District		**End Date**	December 2029

Community Council

Description

This pool will provide for the purchase of new equipment for the replacement of worn equipment within the sewer collection system. Examples of such equipment include pumps, electric motors, instruments, air conditioning equipment, electrical switch gear, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Facility Plant

Project ID	ASU2021011	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2022
District		**End Date**	December 2029

Community Council

Description

This pool will provide for the purchase of new equipment for the replacement of worn equipment in the sewer treatment system. Examples of such equipment include pumps, electric motors, instruments, air conditioning equipment, electrical switch gear, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Fats, Oils, Grease (FOG) Receiving Station

Project ID	ASU2022014	**Department**	Anchorage Wastewater Utility
Project Type	New	**Start Date**	January 2023
District		**End Date**	December 2029
Community Council			

Description

This alternative would construct a fats, oil, and grease (FOG) receiving station that would accept all types of hauled waste including the most damaging types of FOG wastes from commercial and industrial customers.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	-	-	-	2,000	2,000
Net Position	550200 - Sewer Utility CIP	500	-	-	-	-	-	500
Total (in thousands)		**500**	**-**	**-**	**-**	**-**	**2,000**	**2,500**

Geographic Information System Application Development

Project ID	ASU2021002	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	January 2024
District		**End Date**	December 2024
Community Council			

Description

Geographic information systems (GIS) work to perform work associated with development of applications for essential business functions on an annual basis. The Utility relies heavily on GIS and mapping based on self-service to meet business needs.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	45	-	45	-	45	135
Total (in thousands)		**-**	**45**	**-**	**45**	**-**	**45**	**135**

Girdwood Sewer Rehabilitation & Replacement

Project ID	ASU2020003	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	January 2023
District		**End Date**	December 2029
Community Council			

Description

This project programs annual funding for collection system improvements based on the priorities set forth by the prececedant Girdwood groundwater inflow and infiltration study. Groundwater inflow and infiltration into the Girdwood collection system burdens the treatment processes at the Girdwood Wastewater Treatment Facility.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	1,000	1,000	1,000	1,000	1,000	1,000	6,000
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Girdwood Wastewater Treatment Facility Blower Upgrade

Project ID	ASU2021015	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2018
District		**End Date**	March 2025
Community Council			

Description

Install an alternative configuration of the existing aeration and a new blower system to achieve operational cost savings and increase reliability at the Girdwood Wastewater Treatment Facility.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	540	-	-	-	-	-	540
Total (in thousands)		**540**	**-**	**-**	**-**	**-**	**-**	**540**

Girdwood Wastewater Treatment Facility Recycled Water System

Project ID	ASU2022003	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2025
Community Council			

Description

Install a new variable frequency drive controlled pump to supply treated effluent to various identified process locations to offset the supply of non-potable well water and reduce effluent flows at the Girdwood Wastewater Treatment Facility.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	200	-	-	-	-	-	200
Total (in thousands)		**200**	**-**	**-**	**-**	**-**	**-**	**200**

Global Positioning System Unit Upgrades

Project ID	ASU2022016	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2027
District		**End Date**	December 2027
Community Council			

Description

Purchase a minimum of two (2) high resolution global positioning system (GPS) units for use in downtown Anchorage and Girdwood.

Comments

New project - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	25	-	25
Total (in thousands)		**-**	**-**	**-**	**-**	**25**	**-**	**25**

Heavy Rolling Stock

Project ID	ASU2021009	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2023
District		**End Date**	December 2029
Community Council			

Description

For the acquisitions, rehabilitation, or replacement of heavy rolling stock vehicles. Includes vactors, loaders, etc.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	750	750	750	750	750	750	4,500
Total (in thousands)		**750**	**750**	**750**	**750**	**750**	**750**	**4,500**

Hydraulic Model Upgrades

Project ID	ASU2021005	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Development of upgrades to the sewer hydraulic model for essential business functions on annual basis. AWWU relies heavily on hydraulic models to meet business needs.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	50	50	50	50	50	50	300
Total (in thousands)		**50**	**50**	**50**	**50**	**50**	**50**	**300**

Information Technology Administrative Systems SWR Pool

Project ID	ASU2021001	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, acquisition, and upgrade of Information Technology (IT) systems related to the Customer Service IT Master Plan System Category. Systems include Banner CIS, Neptune Meter Reading, Cash Register, Bill Payment and Presentment, Infor Permitting, Backflow, Teldig, and Outage Notification.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	65	65	65	65	65	65	390
Total (in thousands)		**65**	**65**	**65**	**65**	**65**	**65**	**390**

Information Technology Infratructure

Project ID	ASU2021003	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, upgrade and replacement of Information Technology (IT) infrastructure including servers, network, storage, and security.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	300	300	300	300	300	300	1,800
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

King Street Campus Expansion

Project ID	ASU2018008	**Department**	Anchorage Wastewater Utility
Project Type	Extension	**Start Date**	August 2018
District		**End Date**	September 2028
Community Council			

Description

The Operations and Maintenance Facility at King Street is in need of additional land for operations including but not limited to material storage and soil disposal for planned and emergency response events.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	2,700	-	-	2,700
Total (in thousands)		**-**	**-**	**-**	**2,700**	**-**	**-**	**2,700**

King Street Combined Heat and Power Conversion

Project ID	ASU2018007	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Purchase and install combined heat and power system at King Street Operations and Maintenance Facility, which will provide 100% of electricity and 85% of heating needs while simultaneously reducing carbon emissions.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	-	-	-	435	435
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	65	65
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**500**	**500**

King Street Grit Facility Upgrades

Project ID	ASU2022002	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Comments

Upgrades to the existing grit facility at King Street to be capable to accept the actual material that is disposed of at the Grit Facility.

Legislative Scope

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	500	500
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**500**	**500**

King Street Main Building Improvements

Project ID	ASU2018001	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2014
District		**End Date**	March 2028

Community Council

Description

The project shall complete upgrades to resolve issues to the existing building which is failing, including life support systems, structure, and other code violations. The associated site is also failing, including the paved areas, and site drainage.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	4,043	-	-	-	-	-	4,043
Total (in thousands)		**4,043**	**-**	**-**	**-**	**-**	**-**	**4,043**

Large Diameter Sewer Manholes

Project ID	ASU2017001	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	February 2018
District		**End Date**	December 2024
Community Council			

Description

Strategically install new manholes on large diameter sewer mains to allow access for cleaning equipment.

Comments

Project is in construction phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	735	-	-	-	-	735
Net Position	550200 - Sewer Utility CIP	-	1,465	-	-	-	-	1,465
Total (in thousands)		**-**	**2,200**	**-**	**-**	**-**	**-**	**2,200**

Miscellaneous Information Technology Systems

Project ID	ASU2021004	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Installation, acquisition, and upgrade of Information Technology (IT)systems related to the Work Management System Category. Systems include Maximo, Fuel Management, and DataSplice.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	15	15	15	15	15	15	90
Total (in thousands)		**15**	**15**	**15**	**15**	**15**	**15**	**90**

Plant Oversize & Betterments

Project ID	ASU2021013	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

This funding is required to compensate private developers for AWWU requested betterments to AWWU's existing infrastructure or for AWWU requested oversizing of mains installed by the developers.

Comments

Annual Funding Pool

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	10	-	10	-	10	30
Total (in thousands)		**-**	**10**	**-**	**10**	**-**	**10**	**30**

Pump Station 12 Force Main Interceptor C Gravity Junction Rehabilitation

Project ID	ASU2016010	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	June 2016
District		**End Date**	October 2024
Community Council			

Description

Rehabilitate the sewer force main-gravity junction of Interceptor C at the Pump Station 12 force main discharge. Perform condition assessment of both force mains, evaluate both pumps, evaluate valves, and evaluate electrical system.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	400	-	-	-	-	-	400
Total (in thousands)		**400**	**-**	**-**	**-**	**-**	**-**	**400**

Pump Station 2 Rehabilitation

Project ID	ASU2018009	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	November 2026
Community Council			

Description

Perform rehabilitation to components of Pump Station 2 at the end of their service life, including pumps, mechanical piping, valves, electrical equipment, generator, and associated appurtenances such as supervisory control and data acquisition (SCADA) and security upgrades.

Comments

Project is in design phase

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	350	-	-	-	-	-	350
Net Position	550200 - Sewer Utility CIP	380	-	-	-	-	-	380
Total (in thousands)		**730**	**-**	**-**	**-**	**-**	**-**	**730**

Pump Station 55 Upgrade

Project ID	ASU2019006	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

The project will evaluate alternatives as to the disposition of Pump Station 55 and institute the chosen alternative. Currently, the wet well components and pumps are near failure and will require replacement upon failure.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	500	500
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**500**	**500**

Pump Station 71 Upgrades

Project ID	ASU2016011	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2028
District		**End Date**	December 2028
Community Council			

Description

Upgrade Pump Station 71 to current standards. Rehabilitate and/or replace pumps, install safety operational provisions, improve site drainage, rehabilitate or replace wet well and piping, install communication upgrades, upgrade back up power options. Coordinate with I&I projects to correct deficiencies in the sewer collection sewer system.

Comments

New project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	700	700
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**700**	**700**

Supervisory Control and Data Acquisition Equipment

Project ID	ASU2021008	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2022
District		**End Date**	December 2029
Community Council			

Description

Equipment upgrades and/or additions as services are added and technology ages. These may include, but are not limited to, upgrades to logic controllers, software replacement, and intelligence upgrades.

Comments

Annual Funding Pool - has related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	300	300	300	300	300	300	1,800
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

Vehicles

Project ID	ASU2021010	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2021
District		**End Date**	December 2029
Community Council			

Description

Provides funding for major rehabilitation or replacement of AWWU fleet vehicles at the end of their useful life.

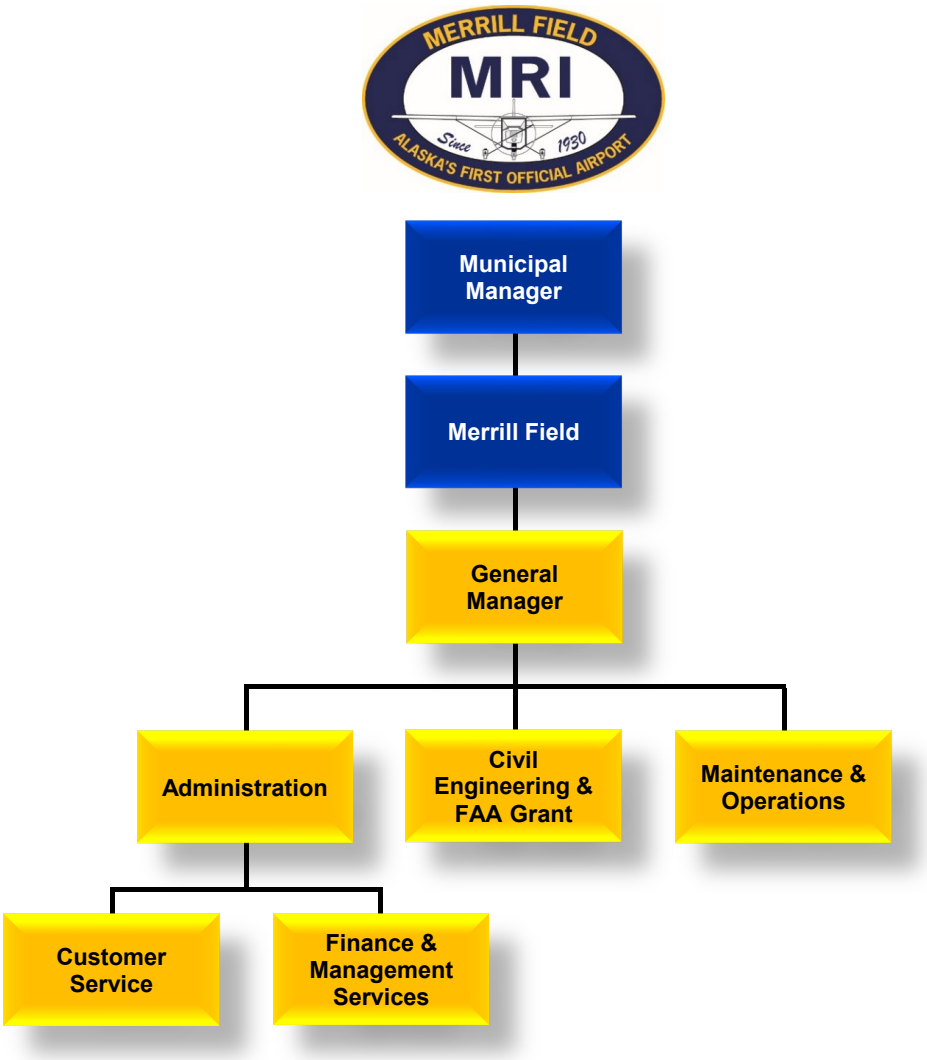
Comments

Annual Funding Pool - has a related Water Utility project

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	500	500	500	500	500	500	3,000
Total (in thousands)		**500**	**500**	**500**	**500**	**500**	**500**	**3,000**

Merrill Field Airport



Merrill Field Airport
Organizational Overview

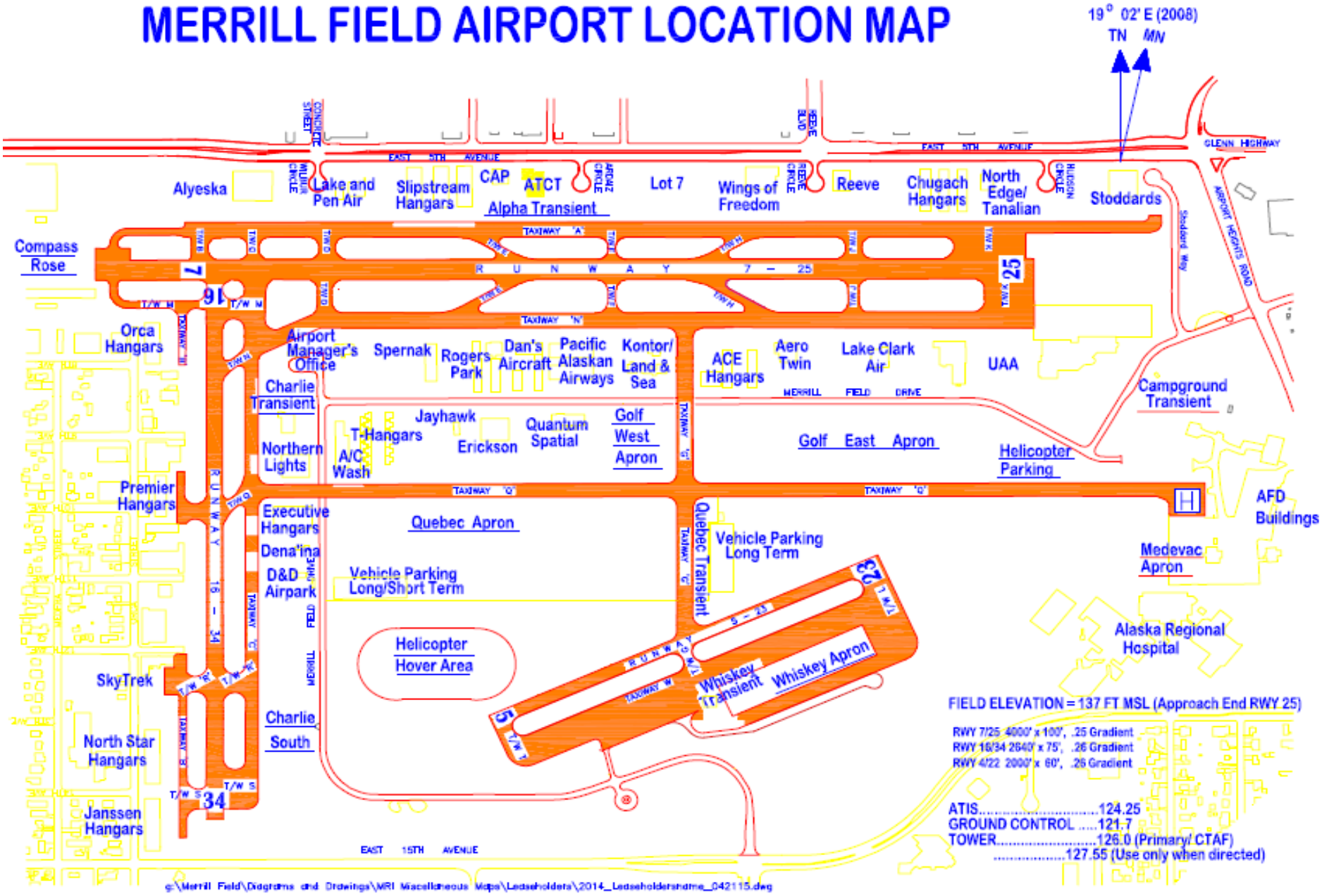
The Airport Manager is responsible for overall management, airport operations, risk mitigation, and operational tone, policies, and direction of the Airport. The Airport Manager is appointed by the Mayor, confirmed by the Assembly, and is also the primary point of contact with the Federal Aviation Administration (FAA) regarding capital and airport planning, operations, and capital development. The airport manager is assisted in these tasks by an engineering function contracted out to a local airport engineering firm. Finally, the airport manager is the Merrill Field spokesman in all representations to the media.

Merrill Field Airport Runway by Shelly Plum of AK Love Photography

The Assistant Airport Manager serves as the: deputy administrator for airport management functions, financial management, and the supervisor of the administrative staff. The administrative staff conducts the day-to-day operations at the Airport. This includes; property management and servicing of leasehold and tie-down customers. They also oversee the coordination of planning and design of infrastructure construction projects. All office staff are one deep and specialized, per job duties.

Merrill Field Airport Live Web Camera Footage

Maintenance personnel provide maintenance and operation of Airport facilities and equipment, as well as maintenance of all operating surfaces on the airport - runways, taxiways, roads, and aircraft tiedown areas that are not on leased property. Such responsibilities include snow removal, sanding, airfield maintenance, including coordination of Notices to Airmen (NOTAMs) and currency of the regularly updated and continuously broadcast Air Traffic Information Service (ATIS).


MERRILL FIELD AIRPORT LOCATION MAP
19° 02' E (2008)
TN MN
Alyeska
Lake and Pen Air
Slipstream Hangars
CAP
ATCT
Alpha Transient
Lot 7
Wings of Freedom
Reeve
Chugach Hangars
North Edge/ Tanalian
Stoddards
GLENN HIGHWAY
EAST 5TH AVENUE
Compass Rose
RUNWAY 7 – 25
TAXIWAY 'A'
TAXIWAY 'N'
Orca Hangars
Airport Manager's Office
Spernak
Rogers Park
Dan's Aircraft
Pacific Alaskan Airways
Kontor/ Land & Sea
ACE Hangars
Aero Twin
Lake Clark Air
UAA
MERRILL FIELD DRIVE
Campground Transient
Charlie Transient
Jayhawk T-Hangars
Erickson
Quantum Spatial
Golf West Apron
Golf East Apron
Helicopter Parking
Northern Lights
A/C Wash
Premier Hangars
RUNWAY 16 – 34
TAXIWAY 'Q'
Executive Hangars
Dena'ina
D&D Airpark
Quebec Apron
Vehicle Parking Long/Short Term
Quebec Transient
Vehicle Parking Long Term
AFD Buildings
Medevac Apron
Helicopter Hover Area
RUNWAY 5 – 23
Whiskey Transient
Whiskey Apron
Alaska Regional Hospital
SkyTrek
Charlie South
North Star Hangars
Janssen Hangars
EAST 15TH AVENUE
FIELD ELEVATION = 137 FT MSL (Approach End RWY 25)
RWY 7/25 4000' x 100', .25 Gradient
RWY 16/34 2640' x 75', .26 Gradient
RWY 4/22 2000' x 60', .26 Gradient
ATIS.....124.25
GROUND CONTROL 121.7
TOWER.....126.0 (Primary/ CTAF)
.....127.55 (Use only when directed)
c:\Merrill Field\Diagrams and Drawings\MRI Miscellaneous Maps\Leaseholders\2014_Leaseholdersdme_042115.dwg

Merrill Field Airport
Business Plan

Mission
Merrill Field Airport (MRI) is committed to operating and maintaining a safe and efficient airport that meets the aviation and business needs of the community. New branding: 'Welcome to Merrill Field-The gateway to Alaska's Interior."

Services
Merrill Field is a primary commercial service airport and serves as a general aviation reliever for Anchorage International Airport. It is the second busiest airport in the state, second only to Ted Stevens Anchorage International Airport.

Business Goals
- Enhance the Airport's role as the major general aviation transportation facility serving Anchorage and outlying areas within Alaska by providing services that promote and encourage use of the Airport by the general aviation community.
- Develop an overall Airport strategy, including leasing policies and pricing that attracts aviation support services and related businesses to Merrill Field and encourages long- and short-term private sector investments.
- Practice sound fiscal management to enable Merrill Field to increase its value, both to its customers and to its owner, the Municipality of Anchorage.
- Take advantage of new technologies to maximize the use and efficiency of available resources.
- Understand and be responsive to our customers to better meet their needs by providing the services and facilities they desire. This includes maintaining those facilities in a fully functional, efficient, and safe condition by continually improving their utility, quality, and appearance.
- Maximize the use of Federal Airport Improvement Program (AIP) grants to provide facilities that will safely and adequately meet the needs of general aviation.
- Meet requisite Federal Aviation Administration (FAA) sponsor assurances resultant from AIP grant acceptance.
- Increase operating revenues through increased lease and parking rates, and the addition of new business enterprises.
- Decreased expenses caused by leaseholder damage to airport infrastructure, i.e., $3,500 security gates.
- Increase safety of flight operations at Merrill Field by funding five new instrument approach procedures with lower weather minimums.

Strategies to Achieve Goals
Merrill Field's strategic plan provides a framework to achieve results for the customer:
1. Maintain a proactive nuisance noise mitigation policy, asking pilots to follow established noise-reducing practice, including implementation of a late night 'Quiet Hours' protocol that restricts Touch & Go operations to one take-off and one landing per pilot at MRI between the hours of 10PM and 7AM (local). Maintain a close working relationship and coordinate with the MRI FAA ATCT (Tower).
2. Maintain positive relations with neighboring Community Councils by encouraging their comments and actively addressing their concerns.
3. Work in close coordination with the Municipal Airports Aviation Advisory Commission, Fixed Based Operators, and Airport users.

4. Continue to aggressively seek and obtain FAA grant funding for the MRI Airport Capital Improvement Program.
5. Provide infrastructure to meet customer demand.
6. Maintain revenues at a level adequate to cover inflation, fund MOA and FAA mandated costs, and meet airport objectives by:
    a. increasing facility productivity.
    b. adjusting user fees and/or lease rates when required.
7. Minimize expenses by:
    a. Reducing or eliminating services where the impact is minimal.
    b. Employing economies of scale whenever possible.
    c. Deferring expenses, within practical limits.
    d. Performing functions in-house when cost-efficient to do so and workloads permit.
8. Take advantage of new technology:
    a. Continue refinement and enhancement of existing programs to facilitate better data resource management, including enabling fiber optic cabling and surveillance cameras airport wide.
    b. Continue replacing computer hardware, as required, to ensure the efficient processing of data.
9. Maintain database and management reporting capabilities.
10. Maintain runways, taxiways, and tie-down aprons in a safe and secure condition.
11. Expeditiously and systematically remove snow from airport surfaces. Ensure Notices to Airmen (NOTAMs) and Air Traffic Information Service (ATIS) are both proactive, accurate and current.
12. Continue long term planning, development, and construction of quality airport facilities through the Airport Master Plan process.
13. Provide technical assistance to lessees on issues associated with federally mandated environmental programs.
14. Endeavor to reduce the number of runway incursions (Vehicle/Pedestrian Deviations or VPDs).
15. Manage and develop Orca St properties to maintain and maximize lease rental revenue.
16. Pursue development of new lease lots and encourage development of commercial aviation facilities on current leaseholds.
17. Perform asphalt crack sealing of runways/taxiways/apron areas to extend the life expectancy of these surfaces.
18. Fund pre-grant expenses for engineering services on grant-eligible projects.
19. Enhance the utility of existing tiedown aprons, taxiways, and roadways.
20. Expand aircraft aprons and taxiways as needed to meet demand.
21. Actively market Airport facilities and services.
22. Acquire planned acquisition of identified parcels southwest of the Runway 16/34 safety area to ensure compatible land use as listed on the master plan.
23. Identify high priority projects to be included in the FAA 5-Year Airport Capital Improvement Plan (ACIP), thereby helping Merrill Field to more effectively compete nationally for AIP grant funds.
24. Secure engineering services for project preliminary design, final design, contract specifications, bid award, and construction supervision.
25. Acquire “City Electric” property for development into a new site for Aerospace Innovation center.
26. Rehab the Orca street building exteriors to provide a facelift for those buildings bringing in airport revenues and to present a better appearance to our Fairview neighbors.

Performance Measures to Track Progress in Achieving Goals
Merrill Field measures progress in achieving these customer commitments using the following set of quantifiable performance measures:

1. Number of Occupied Aircraft Parking Spaces – representing the number of parking spaces that Merrill Field owns and that contribute directly to Merrill Field Operating Revenue
2. Percentage of lease spaces currently leased – representing the number of lease properties that are occupied and contributing directly to Merrill Field Operating Revenue
3. Number of Airport Operations (Takeoffs, landings, touch-n-go operations, instrument approaches and airport overflights) – qualifying Merrill Field for Annual FAA AIP funding
4. Percentage of operating surfaces above the minimum PCI value (pavement condition index) – measuring when ground surfaces will quality for rehab/replacement projects
5. Simulator Center Usage (this is a new program) – new revenue generating opportunity
6. Number of Vehicle-Pedestrian Deviations (VPDs) – instances where Airport users or unauthorized personnel have crossed into the active area without authorization

Merrill Field Airport

Anchorage: Performance. Value. Results.

Mission

Safely operate and maintain Merrill Field Airport to meet the aviation and business needs of our customers.

Core Services

- Maintain runways, taxiways, and aircraft parking aprons in a safe and secure condition.
- Provide space to operate and park aircraft.
- Provide lease space for private enterprises to support air transportation.

Accomplishment Goals

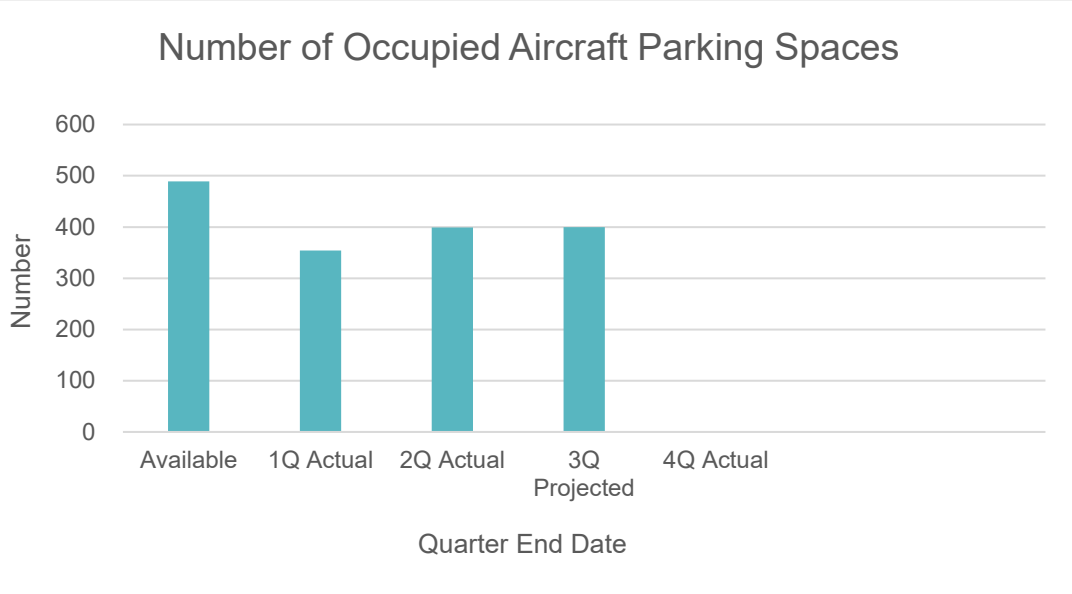
- Reduce the number of vehicle-pedestrian deviations (VPDs) - unauthorized entry into restricted areas.
- Provide sufficient aircraft parking area and business lease space to meet public demand.
- Repair and improve surface conditions on all Runway operating surfaces with a Pavement Condition Index (PCI) below 70 and all Taxiway, Apron & Roadway operating surfaces with a PCI below 60 (on a scale of 1 – 100 with 100 being the best condition).

Performance Measures

Progress in achieving goals will be measured by:

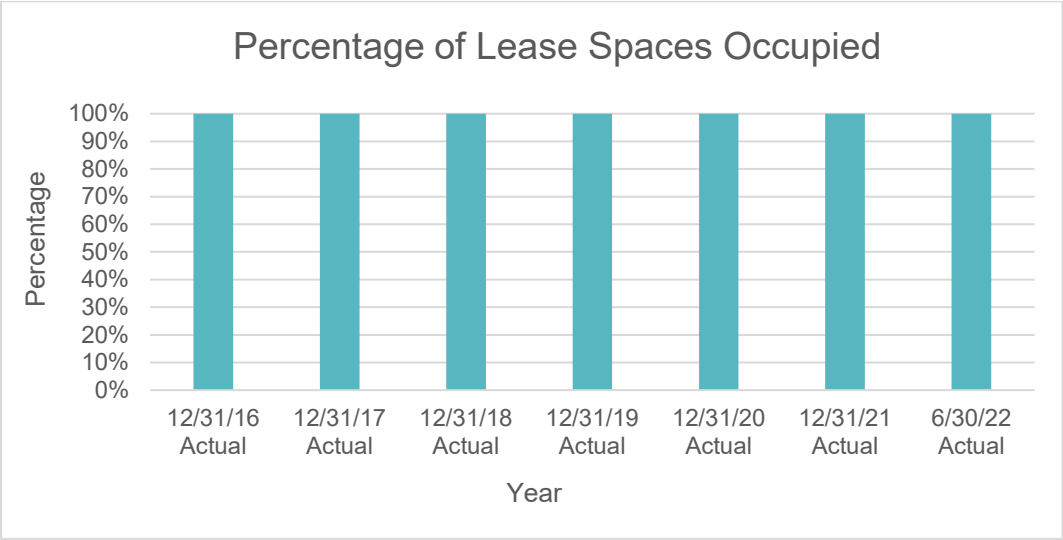
Measure #1: Number of Occupied Aircraft Parking Spaces owned by Merrill Field

Spaces Available	2Q Actual	3Q Projected
489	399	400



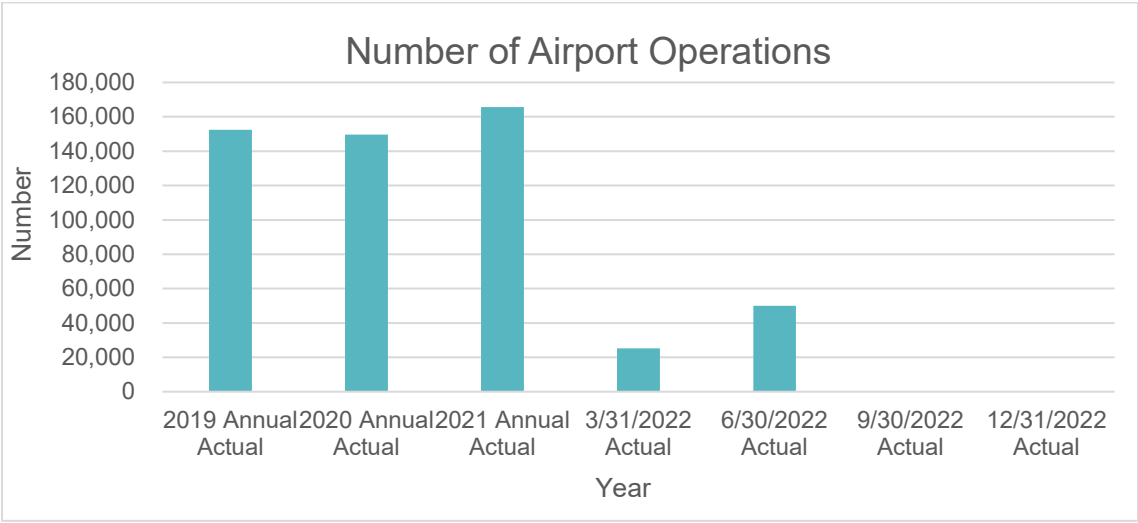
Measure #2: Percentage of Lease Spaces, on Merrill Field Land, Currently Leased

2020 Actual	2021 Actual	6/30/22 Actual
(54/54)	(55/55)	(55/55)
100%	100%	100%



Measure #3: Number of Airport Operations (Takeoffs, landings, touch-n-go operations, instrument approaches and airport overflights)

2020 Actual	2021 Actual	06/30/22 Actual
149,639	165,671	49,961

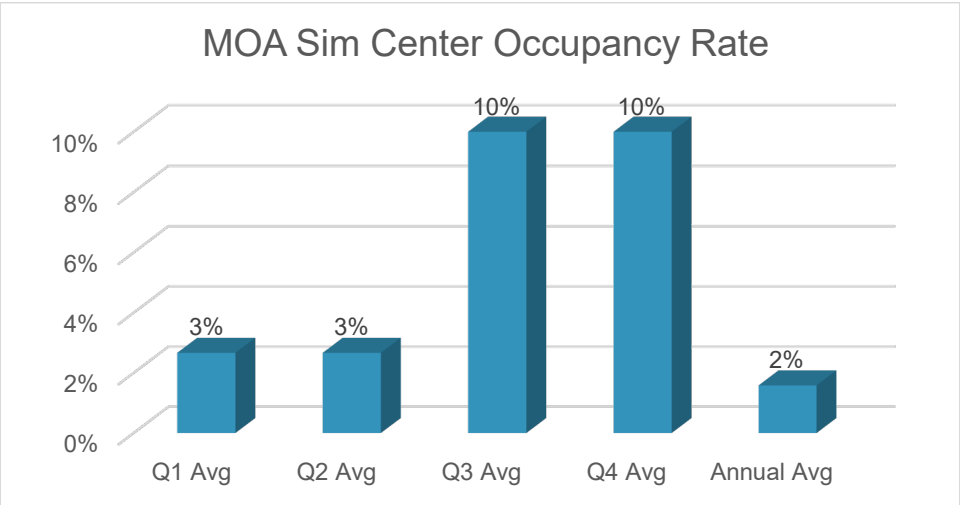


Measure #4: Percentage of operating surfaces above the minimum Pavement Condition Index (PCI) value

3/31/22 Actual	3/31/22 Actual	6/30/22 Actual
Runway	Taxiway	Apron
72%	76%	93%

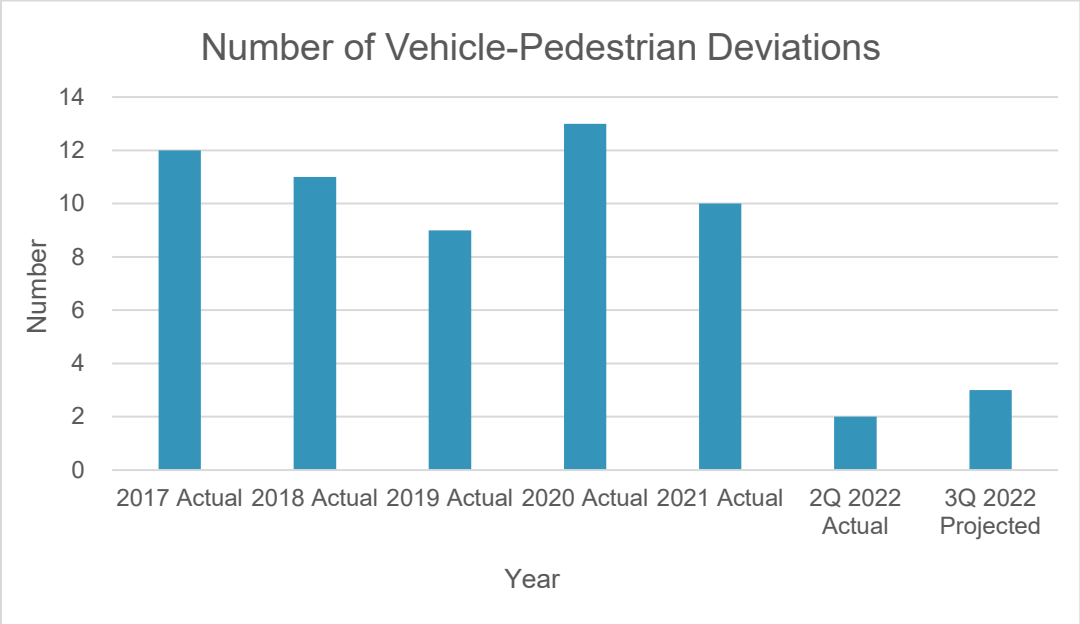
Measure #5: Simulator Center Usage (new program)

2021 Goal	2021 Actual	6/30/22 Actual
40%	20%	3%



Measure #6: Number of Vehicle-Pedestrian Deviations (VPDs)

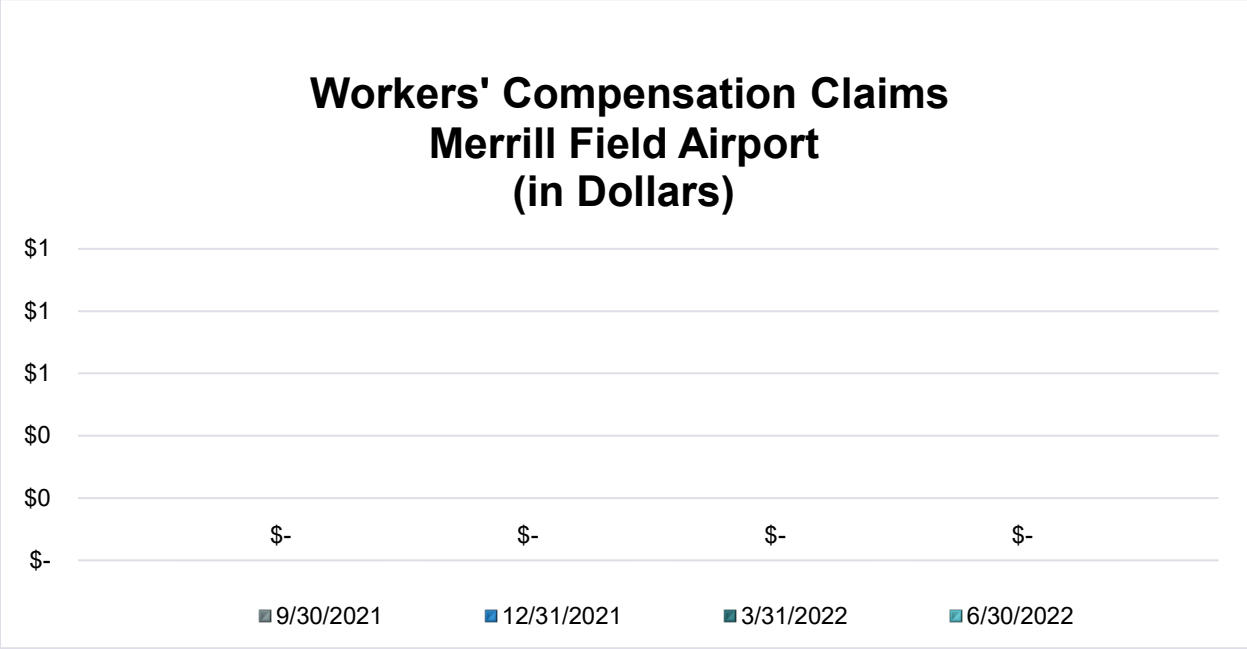
2021 Actual	06/30/22 Actual	3Q Projected
10	2	3



PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



About Merrill Field Airport

History
Merrill Field Airport (MRI) was established in 1930 and is located one mile east of downtown Anchorage. It was the first real airport in Alaska, and in Anchorage, and served as the primary airport for South Central Alaska until Anchorage International Airport opened in 1954. The airport bears the name of Russel Hyde Merrill, an early Alaskan aviator who disappeared in September 1929 on a flight to Bethel. The first aviation beacon in the Territory of Alaska was located at Merrill Field and was dedicated on September 25, 1932 to honor Russ Merrill. The three letter Federal Aviation Administration (FAA) designator for Merrill Field is MRI. The International Air Transport Association (IATA) also designates Merrill Field as MRI and the International Civil Aviation Organization (ICAO) designates Merrill Field as PAMR.

Today, MRI is classified as a "Non-Hub Primary Commercial Service Airport" and effectively serves as a general aviation reliever airport to Ted Stevens Anchorage International Airport. MRI is presently restricted to aircraft weighing 12,500 pounds or less. Commercial operators with heavier aircraft may request a Prior Permission Request (PPR) for limited access.

MRI continues to be an integral part of Alaska's transportation network. Over the past several years aircraft operations have varied between 145,000 and 165,000 and based aircraft varied between 700 and 800.

Services
Merrill Field serves as the general aviation link between Southcentral Alaskan communities, rural areas, and Anchorage. Intrastate air traffic to and from Anchorage, with many passengers destined for the downtown and midtown areas, is conveniently served by MRI.

Some of the many services provided at MRI include 1) sale of aircraft fuel, 2) hangar rental, 3) flightseeing, 4) flight and ground school instruction, 5) aircraft maintenance and repair, 6) sale of parts, supplies, equipment and accessories, 7) aerial photography, 8) propeller repair, 9) aviation electronics, 10) aircraft sales, rentals and charters, 11) power plant and airframe training, 12) a fully accredited University of Alaska Aviation Technology Division campus, offering Baccalaureate/Associate degrees and A&P Licensure programs in piloting and aviation management, 13) and direct Medevac taxiway connection to Alaska Regional Hospital.

Regulation
Merrill Field is a non-Part 139 certificated public airport that is required to meet most FAA and all Municipal regulations. Additionally, the Municipal Airports Aviation Advisory Commission (MAAAC) advises and makes recommendations to the Anchorage Administration and Assembly on all matters pertaining to the operating budget, rules, regulations, and administrative guidelines at Merrill Field.

Environmental and Other Mandates
There are many federally mandated programs which have a direct impact on the Airport's operating costs. The Clean Water Act, Civil Rights Act, Americans with Disabilities Act, Community Right to Know, Underground Storage Tank Regulations, and Clean Air Act are some of the current laws which have and will continue to affect the Airport. Approximately 42% of the MRI airfield land mass is atop the former Anchorage Municipal Landfill, which was closed in 1987. As a result of this residual underlying trash mass, significant environmental challenges and additional development costs exist for airfield development and construction.

Physical Plant
Primary commercial service airport
- Hub for intra-Alaska air travel
- Located one mile from downtown Anchorage
- Serves as general aviation reliever for Ted Stevens Anchorage International Airport
- Restricted to aircraft weighing 12,500 pounds or less (larger with Prior Permission Required (PPR) allowed for maintenance and airshows at the discretion of the airport manager.)
- 437 acre land area; elevation 137 feet; fee simple title
- 1,193 tiedown spaces; leaseholders manage 664; Municipality manages 529, including 53 for transient aircraft
- Runway 7/25 length/width is 4,000' x 100'; Runway 16/34 is 2,640' x 75'; Gravel/Ski Runway 5/23 is 2,000' x 60'
- Six taxiways; 102 acres of tiedown aprons
- Air traffic control tower owned, operated, and staffed by FAA

Merrill Field Airport statistics and trends as part of top four state airports. Merrill Field continues to be the second busiest airport in the State of Alaska. "Operations" include takeoffs, landings, touch-n-go operations, instrument approaches, and airport overflights.

Anchorage ANC
2019 – 269,902 operations
2020 – 245,283 operations
2021 – 285,887 operations

Merrill Field MRI
2019 – 152,394 operations
2020 – 149,639 operations
2021 – 165,671 operations

Fairbanks FAI
2019 – 108,634 operations
2020 – 96,543 operations
2021 – 102,769 operations

Juneau JNU
2019 – 114,168 operations
2020 – 44,398 operations
2021 – 55,755 operations

Visit the Merrill Field Airport website at: www.muni.org/merrill
Phone number: 907-343-6303
Physical Address: 800 Merrill Field Drive Anchorage, AK 99501

Merrill Field Airport
Highlights and Future Events

Merrill Field (MRI) continues to develop its economic revitalization program through cooperative efforts of the business owners, airport management, and surrounding communities. The Federal Aviation Administration (FAA) invested $37.8 million in airport infrastructure and Municipality's economy.

2021 and beyond, projects have now been enabled by Federal Coronavirus Aid, Relief, and Economic Security (CARES) funding. It allows us to think outside a fiscally constrained "box," bringing innovation to the planning phase. Some of these long-desired projects include:

1. The addition of five new instrument approach and departure into Merrill Field lower weather minimums. Doing so will allow our commercial part 135 operators to depart and arrive with their passengers without diverting to Ted Stevens Airport on low visibility days.
2. Many of the Airport Master Plan projects were pushed out 3-4 years because of an inability to make match payments. We have now scheduled those to commence. One of those projects is the acquisition of City Electric property on Orca Street. After the purchase has been completed, MRI is looking to find and enter a long-term lease with a developer that wants to bring an aerospace innovation center to MRI.
3. A final milestone is the facelift planned for the Orca Street properties.

Revenues and Expenses

The expenses in 2023 are anticipated to remain flat. Salary and benefits are adjusted to reflect any union negotiated legal mandates, changes in benefit costs, and/or administrative requirements.

The budgeted revenues are based on lease agreements and historical trends from the past 5 years.

Merrill Field generates revenue through Aeronautical and Non-Aeronautical sources:

- Aeronautical revenues come from: Airport Lease Fees, Property Rentals, Aircraft Parking Fees, Aircraft Transient Parking Fees, Aircraft Tie Down Fees, Aviation Fuel Fees, and Medevac Taxiway Fees.
- Non-Aeronautical revenues come from Vehicle Parking Fees, Miscellaneous Revenues, and Non-Operating Revenue sources.

Merrill Field does not propose to increase rates in 2023. The table below shows what a possible future increase could look like in the "new" column.

Type of Fee	Current	New
Daily Transient Parking Fees	$ 6.00	$ 10.00
No longer offering Hourly Transient Parking Fee, Daily rates apply.		
Tie Down Fees:		
Tail-End Space/Month	$ 70	$ 75
Tail-End Space - Electric/Month	$ 85	$ 90
Pull-Through Space/Month	$ 80	$ 85
Pull-Through Space - Electric/Month	$ 95	$ 100

Merrill Field Airport
Historical Rates

	Lease Rate/Sq Ft/Year	Tail-In Space/Month	Drive-Through Space/Month
1996	$0.150	$40.00	$50.00
1997	$0.150	$40.00	$50.00
1998	$0.150	$40.00	$50.00
1999	$0.150	$40.00	$50.00
2000	$0.150	$40.00	$50.00
2001	$0.150	$40.00	$50.00
2002	$0.150	$40.00	$50.00
2003	$0.150	$40.00	$50.00
2004	$0.160	$45.00	$55.00
2005	$0.160	$50.00	$60.00
2006	$0.160	$50.00	$60.00
2007	$0.170	$55.00	$65.00
2008	$0.170	$55.00	$65.00
2009	$0.170	$55.00	$65.00
2010	$0.170	$55.00	$65.00
2011	$0.170	$55.00	$65.00
2012	$0.190	$60.00	$70.00
2013	$0.190	$60.00	$70.00
2014	$0.200	$60.00	$70.00
2015	$0.208	$60.00	$70.00
2016	$0.208	$60.00	$70.00
2017	$0.208	$60.00	$70.00
2018	$0.208	$60.00	$70.00
2019	$0.240	$70.00	$80.00
2020	$0.242	$70.00	$80.00
2021	$0.242	$70.00	$80.00
2022	$0.242	$75.00	$85.00

Merrill Field Airport
External Impacts

Merrill Field Airport (MRI) is classified as a Primary Non-Hub airport that also serves as a general aviation reliever airport to Ted Stevens Anchorage International Airport (ANC). With approximately 165,000 flight operations per year, MRI is the major general aviation link between Anchorage and surrounding rural communities. With over 50 aviation businesses and 830+ based aircraft, MRI provides a positive economic impact to Anchorage.

The MRI Economic Impact brochure, completed as part of the ongoing Airport Master Plan, highlighted the economic and community benefits of MRI, which noted that MRI is responsible for approximately 600 direct, indirect, and induced in-state jobs, and that four air taxi operators are based here, including one that provides non-stop service from MRI to Prudhoe Bay! There are two rotorcraft flight schools and now five fixed wing flight schools on MRI.

MRI is one of the few airports in the nation that has a taxiway link connecting directly to a hospital (Alaska Regional). Medevac aircraft land and taxi directly to the hospital and the patient is literally transferred from the aircraft onto a gurney and wheeled into the hospital emergency room. This service saves valuable minutes in critical situations and it is regularly utilized.

MRI continues to pursue federal airport grant funds for all grant-eligible capital improvement projects by working with federal grant managers to secure all available grant funding as it becomes available. These funds are used to develop and continue its economic revitalization program through cooperative efforts of the business owners, airport management, and surrounding communities.

Since its beginning in 1930, when MRI was built on the outskirts of Anchorage, MRI has become encroached by residential and commercial development. As a result, the airfield layout is geometrically constrained without taxiway separation from individual leasehold apron areas, which effectively makes MRI taxiways apron edge taxi-lines. This apron-edge taxi-lane configuration easily enables vehicles to inadvertently trespass onto the adjacent taxiway thereby creating a Vehicle-Pedestrian Deviation (VPD).

To address this, the MRI Runway Safety Program has implemented operational procedures and pursued numerous Federal Avaiation Administration (FAA) capital improvements to curb this trespass problem. Further, reconfiguration of apron-edge taxi-lanes (better delineation and the installation of taxiway lighting) has been proposed to the FAA and will be pursued for the north side Taxiway Alpha. Through cooperative efforts of MRI leaseholders and implementation of our Driver Training Program, there has been a dramatic decrease in trespass incidents, from the historic number in the hundreds to 19-or-less per year over the past decade. Our ongoing goal is to improve Airport fencing and perimeter/gate security, continue a program of recurring education for the Airport leaseholders and businesses, and to make VPDs the exception rather than a periodic occurrence.

MRI noise complaints have also dramatically decreased since implementing a “Fly Friendly” program that includes a revised standard protocol for all rotorcraft Touch & Go operations, emphasizing the use of Runway 34 only when the wind is out of the north or south; landing long (further down the runway); using steeper ascent and descent angles, to the degree practicable; and using Bryant Army Airfield (on Joint Base Elmendorf-Richardson (JBER)) for rotorcraft

training, when it is available. A “Quiet Hours” program that allows only one take off and one landing per aircraft at MRI between the hours of 10PM and 7AM (local) is also being implemented to discourage repetitive Touch & Go ops during these hours, which have significant noise impacts on neighboring communities (if an operator wants to conduct Touch & Go’s during these times, they can do so elsewhere at other southcentral airports, such as ANC, Lake Hood, Wasilla, Palmer, etc.).

Merrill Field Airport
Capital Overview

Capital Project Selection Process
The process of choosing funded projects in the Capital Improvement Program (CIP) begins with the creation of the airport master plan. It is an all-inclusive list of every conceivable project for airport safety, improvement, maintenance, expansion, and revenue generation. It is submitted to the Federal Aviation Administration (FAA) for their vetting and approval.

Then year to year, the airport makes a request to the FAA for those items that are most urgent that year. Based on the number of commercial enplanements (minimum of 10,000), the airport is given AIP (Airport Improvement Program) funding for these previously approved projects. However, from year-to-year, the FAAs priorities change.

Thus, the determining factors in Merrill Field's CIP is for our ask of the FAA to match the FAAs own priority for any given year. In short, although we get to create the "wish list," the FAA is in the driver's seat for the projects approved in the annual Merrill Field CIP.

Significant Projects
Merrill Field is finishing the Airport Access Road Construction project, scheduled for completion in 2023. This project was needed to fix the large swells along Merrill Field Drive due to the Airport being constructed on top of an old trash dump. The trash underneath the surface has shifted over time and therefore caused up and down movement along Merrill Field Drive, the vehicle driving road.

Impacts on Future Operating Budgets
The FAA awarded Merrill Field Airport a CARES Operating Grant in the amount of 17.89M dollars. This money is being used to improve, fix, and maintain airport structures, surfaces and for the procurement of replacement maintenance equipment. The Grant is also allowed to be used as the Municipal matching funding on future FAA AIP Grants. This will have a positive impact on Merrill Fields Operating Budget, allowing the Airport the opportunity to afford future AIP Grant match funding by not spending Merrill Field Operating dollars for the next couple years, until the Grant expires.

Merrill Field Airport
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	1,977	3,014	2,901	2,904	2,907	2,910	2,913	2,916
Expenses and Transfers [1]	4,715	5,260	5,212	5,190	5,195	5,201	5,206	5,211
Net Income (Loss)	**(2,738)**	**(2,246)**	**(2,311)**	**(2,286)**	**(2,289)**	**(2,291)**	**(2,293)**	**(2,295)**
Charges by/to Other Departments	279	200	57	45	46	47	48	49
Municipal Enterprise/Utility Service Assessment	72	75	63	66	69	73	77	80
Dividend to General Government	-	-	-	-	-	-	-	-
Transfers to General Government [2]	**351**	**275**	**120**	**111**	**115**	**120**	**125**	**129**
Operating Cash	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction Cash Pool	-	-	-	-	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-	-
Total Cash	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**
Net Position/Equity 12/31	90,516	93,716	96,916	100,116	103,316	106,516	109,716	109,716
Capital Assets Beginning Balance	85,601	86,592	92,583	103,573	108,584	109,574	109,564	109,564
Asset Additions Placed in Service	1,000	6,000	10,000	5,000	1,000	-	-	-
Assets Retired	0.5	0.5	1,000.0	0.5	0.2	0.2	0.2	0.2
Change Depreciation (Increase)/Decrease	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
Net Capital Assets (12/31)	**86,592**	**92,583**	**103,573**	**108,564**	**109,574**	**109,564**	**109,554**	**109,554**
Equity Funding Available for Capital	-	-	-	-	-	-	-	-
Debt								
Total Outstanding LT Debt	-	-	-	-	-	-	-	-
Total Annual Debt Service Payment	-	-	-	-	-	-	-	-
Debt/Equity Ratio	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Statistical/Performance Trends								
Rate Change Percent	12.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Lease Rate/Square Foot/Year	$0.242	$0.242	$0.242	$0.242	$0.242	$0.242	$0.242	$0.242
Tail-In Space/Month	$70	$70	$75	$75	$75	$75	$75	$75
Drive-Through Space/Month	$80	$80	$85	$85	$85	$85	$85	$85
Based Aircraft	843	843	800	800	800	800	800	800
Municipal Tiedowns	490	490	490	490	490	490	490	490
Flight Operations/Year	165,671	167,000	167,000	167,000	167,000	167,000	167,000	167,000
National Airport Ranking by Yr	96th	96th	96th	96th	96th	96th	96th	96th

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

Merrill Field Airport
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Airport Lease Fees	726,310	714,000	(50,000)	664,000	-	664,000	0.00%
Airport Property Rental	356,760	359,000	-	359,000	-	359,000	0.00%
Permanent Parking Fees	349,952	328,000	(50,000)	278,000	-	278,000	0.00%
Transient Parking Fees	15,732	8,500	-	8,500	-	8,500	0.00%
Vehicle Parking	68,597	76,000	-	76,000	-	76,000	0.00%
MOA Aviation Fuel Fees	140,856	101,000	-	101,000	-	101,000	0.00%
SOA Aviation Fuel Fees	27,827	32,000	(8,000)	24,000	-	24,000	0.00%
Medevac Taxiway Fees	57,948	58,000	-	58,000	-	58,000	0.00%
Simulator Center Revenue	7,245	50,000	-	50,000	(50,000)	-	-100.00%
Reimbursed Costs	914	-	-	-	-	-	0.00%
Miscellaneous	45,443	6,000	-	6,000	-	6,000	0.00%
Total Operating Revenue	**1,797,585**	**1,732,500**	**(108,000)**	**1,624,500**	**(50,000)**	**1,574,500**	**-3.08%**
Non Operating Revenue							
Operating Grant Revenue	160,515	1,257,946	-	1,257,946	-	1,257,946	0.00%
Investment Income	9,966	23,600	(20,600)	3,000	66,000	69,000	2200.00%
Other Income	8,437	-	-	-	-	-	0.00%
Total Non Operating Revenue	**178,919**	**1,281,546**	**(20,600)**	**1,260,946**	**66,000**	**1,326,946**	**5.23%**
Total Revenue	**1,976,504**	**3,014,046**	**(128,600)**	**2,885,446**	**16,000**	**2,901,446**	**0.55%**
Operating Expense							
Salaries and Benefits	627,406	1,200,000	94,297	1,294,297	131,396	1,425,693	10.15%
Overtime	13,205	7,000	1,442	8,442	-	8,442	0.00%
Total Labor	640,611	1,207,000	95,739	1,302,739	131,396	1,434,135	10.09%
Supplies	118,469	116,000	-	116,000	-	116,000	0.00%
Travel	-	-	-	-	-	-	0.00%
Contractual/Other Services	470,232	520,000	(20,000)	500,000	-	500,000	0.00%
Equipment/Furnishings	27,970	2,000	-	2,000	-	2,000	0.00%
Dividend to General Government	-	-	-	-	-	-	0.00%
Manageable Direct Cost Total	616,671	638,000	(20,000)	618,000	-	618,000	0.00%
Municipal Enterprise/Utility Service Assessment	71,704	74,614	-	74,614	(11,541)	63,073	-15.47%
Depreciation/Amortization	3,106,688	3,140,323	(100,000)	3,040,323	-	3,040,323	0.00%
Non-Manageable Direct Cost Total	3,178,392	3,214,937	(100,000)	3,114,937	(11,541)	3,103,396	-0.37%
Charges by/to Other Departments	279,289	200,000	(52,711)	147,289	(90,174)	57,115	-61.22%
Total Operating Expense	**4,714,962**	**5,259,937**	**(76,972)**	**5,182,965**	**29,681**	**5,212,646**	**0.57%**
Non Operating Expense							
Total Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Total Expense	**4,714,962**	**5,259,937**	**(76,972)**	**5,182,965**	**29,681**	**5,212,646**	**0.57%**
Net Income (Loss)	**(2,738,459)**	**(2,245,891)**	**(51,628)**	**(2,297,519)**	**(13,681)**	**(2,311,200)**	**0.60%**
Appropriation:							
Total Expense		**5,259,937**	**(76,972)**	**5,182,965**	**29,681**	**5,212,646**	**0.57%**
Less: Non Cash Items							
Depreciation/Amortization		3,140,323	(100,000)	3,040,323	-	3,040,323	0.00%
Total Non-Cash		3,140,323	(100,000)	3,040,323	-	3,040,323	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**2,119,614**	**23,028**	**2,142,642**	**29,681**	**2,172,323**	**1.39%**

Merrill Field Airport
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	**2,142,642**	**10**	**1**	**-**
Transfers by/to Other Departments				
- Charges by Other Departments	13,160	-	-	-
- Airport Maintenance Technician .25 FTE Grade 7 to 1.0 FTE Grade 18 - Transfer to CARES funding	(97,216)	-	-	-
- Sr Office Associate from Grade 10 to Grade 12, Sr Administrative Officer from Grade 15 to Grade 14 to CARES funding	(6,118)	-	-	-
- Municipal Enterprise Service Assessment (MESA)	(11,541)	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	28,062	-	-	-
- Airport Maintenance Technician .25 FTE Grade 7 to 1.0 FTE Grade 18 - Funded by CARES	97,216	1	(1)	-
- Sr Office Associate from Grade 10 to Grade 12, Sr Administrative Officer from Grade 15 to Grade 14	6,118	-	-	-
2023 Continuation Level	**2,172,323**	**11**	**-**	**-**
2023 Proposed Budget Changes				
- None	-	-	-	-
2023 Proposed Budget	**2,172,323**	**11**	**-**	**-**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**2,172,323**	**11**	**-**	**-**
	2023 Proposed FTE			
	11.00	**11.00**	**-**	**-**

Merrill Field Airport Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
Acquire Safety and/or Security Equipment (RSAT Phase 6)	-	-	1,001	-	1,001
Rehab RWY 7/25 Construction	-	-	7,236	-	7,236
Total	**-**	**-**	**8,237**	**-**	**8,237**

Merrill Field Airport Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Equipment						
Acquire Snow Removal Equipment	2024	-	-	1,141	-	1,141
Safety Improvements						
Airfield & Apron Improvements	2024	-	-	1,001	-	1,001
	2025	-	-	5,392	-	5,392
		-	-	6,393	-	6,393
Reconstruct GA Apron TWY C - Construction	2025	-	-	7,175	-	7,175
Reconstruct GA Apron TWY C - Design	2024	-	-	704	-	704
Rehab RWY 7/25 Construction	2023	-	-	7,236	-	7,236
Security						
Acquire Safety and/or Security Equipment (RSAT Phase 6)	2023	-	-	1,001	-	1,001
	Total	**-**	**-**	**23,650**	**-**	**23,650**

Acquire Safety and/or Security Equipment (RSAT Phase 6)

Project ID	MF2021010	**Department**	Merrill Field Airport
Project Type	New	**Start Date**	January 2023
District	Tax: 1 - City/Anchorage	**End Date**	December 2026
Community Council			

Description

Acquire safety and/or security equipment Runway Safety Action Team (RSAT) Phase 6. (gates, fence, and lights)

Version 2023 Proposed

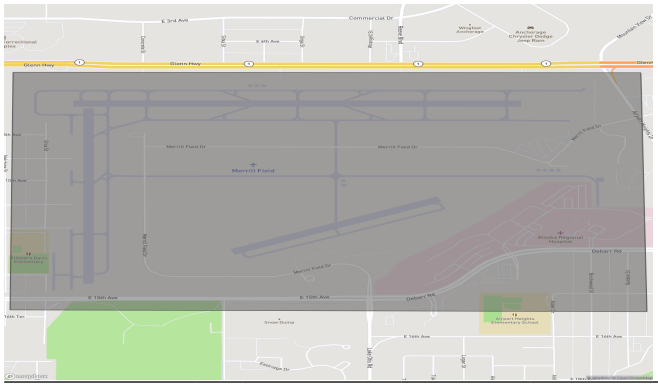
		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	938	-	-	-	-	-	938
Federal Grant Revenue-Direct	580910 - Merrill Field Airport Operating Grant	63	-	-	-	-	-	63
Total (in thousands)		**1,001**	**-**	**-**	**-**	**-**	**-**	**1,001**

Acquire Snow Removal Equipment

Project ID	MF2021003	**Department**	Merrill Field Airport
Project Type	New	**Start Date**	January 2024
District	Tax: 1 - City/Anchorage	**End Date**	January 2028
Community Council			

Description

Acquire snow removal equipment: motor grader, snow truck with plow, or dump truck.



Version 2023 Proposed

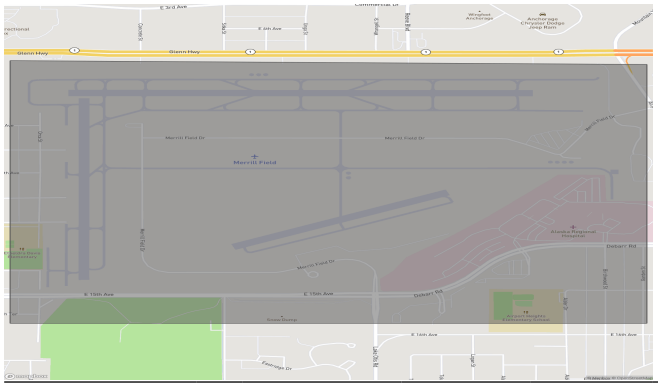
		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	1,069	-	-	-	-	1,069
Transfer from Other Funds	580800 - Merrill Field Airport Capital Contr	-	72	-	-	-	-	72
Total (in thousands)		**-**	**1,141**	**-**	**-**	**-**	**-**	**1,141**

Airfield & Apron Improvements

Project ID	MF2021002	**Department**	Merrill Field Airport
Project Type	Improvement	**Start Date**	January 2024
District	Tax: 1 - City/Anchorage	**End Date**	December 2025
Community Council			

Description

Airfield and apron improvements (taxiway pavements)



Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	938	5,055	-	-	-	5,993
Federal Grant Revenue-Direct	580910 - Merrill Field Airport Operating Grant	-	63	337	-	-	-	400
Total (in thousands)		**-**	**1,001**	**5,392**	**-**	**-**	**-**	**6,393**

Reconstruct GA Apron TWY C - Construction

Project ID	MF2021015	**Department**	Merrill Field Airport
Project Type	Reconstruction	**Start Date**	January 2025
District	Tax: 1 - City/Anchorage	**End Date**	December 2027
Community Council			

Description

Reconstruct GA Apron Taxiway (TWY) C - Construction

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	-	6,726	-	-	-	6,726
Transfer from Other Funds	580800 - Merrill Field Airport Capital Contr	-	-	449	-	-	-	449
Total (in thousands)		**-**	**-**	**7,175**	**-**	**-**	**-**	**7,175**

Reconstruct GA Apron TWY C - Design

Project ID	MF2021009	**Department**	Merrill Field Airport
Project Type	Reconstruction	**Start Date**	January 2024
District	Tax: 1 - City/Anchorage	**End Date**	December 2026
Community Council			

Description

Reconstruct GA Apron Taxiway (TWY) C - Design

Version 2023 Proposed

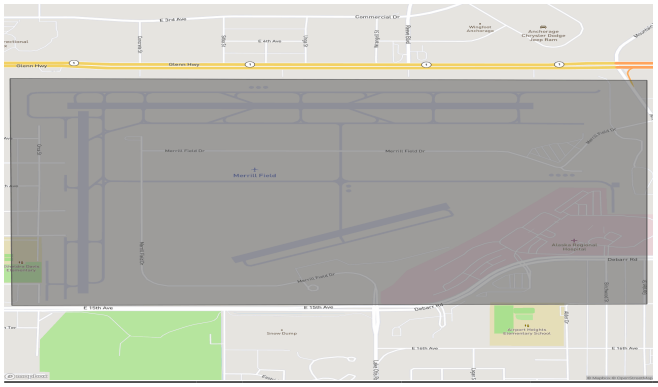
		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	704	-	-	-	-	704
Total (in thousands)		**-**	**704**	**-**	**-**	**-**	**-**	**704**

Rehab RWY 7/25 Construction

Project ID	MF2021004	**Department**	Merrill Field Airport
Project Type	Rehabilitation	**Start Date**	January 2023
District	Tax: 1 - City/Anchorage	**End Date**	January 2027
Community Council			

Description

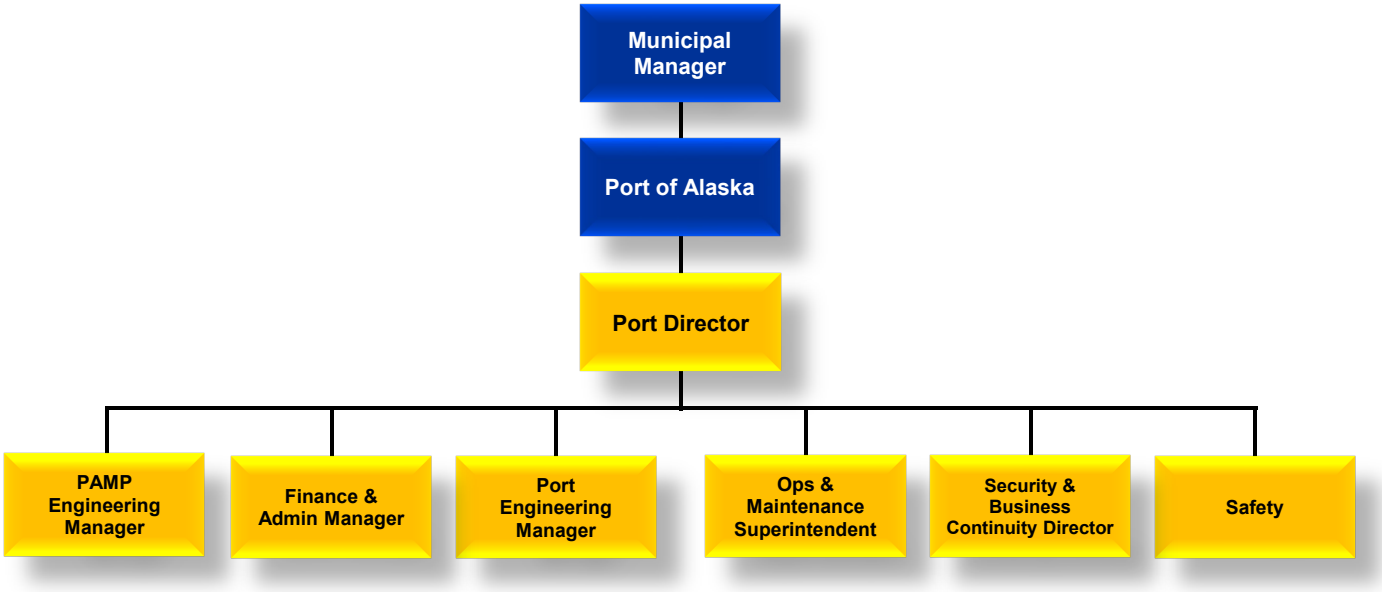
Rehabilitate Runway 07/25 Construction



Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	6,783	-	-	-	-	-	6,783
Federal Grant Revenue-Direct	580910 - Merrill Field Airport Operating Grant	453	-	-	-	-	-	453
Total (in thousands)		**7,236**	**-**	**-**	**-**	**-**	**-**	**7,236**

Port of Alaska



Port of Alaska
Organizational Overview

The Port of Alaska (Port) is an enterprise function of the Municipality.

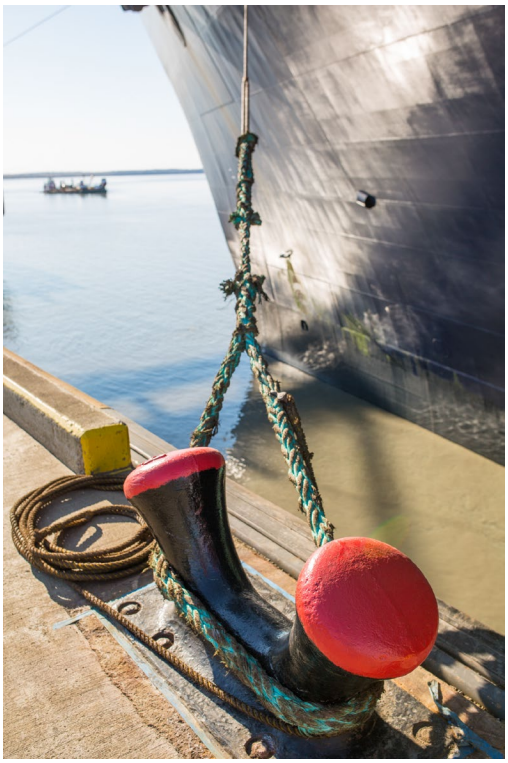


Photo taken by Andre Horton

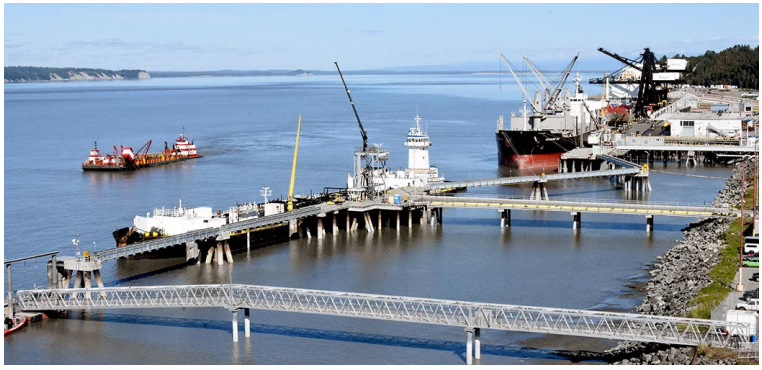
The Port Director is responsible for overseeing the day-to-day business operations of the Port; interacting as needed with tenants, the U.S. Coast Guard, the military, and any new business prospects interested in operating out of the Port of Alaska.

The Port of Alaska Modernization Program (PAMP) Engineering Manager serves as the Port's engineering subject matter expert and direct representative to the Municipality's PAMP Director for all engineering aspects of the PAMP, to include providing guidance to the PAMP Director on the quality of execution of the PAMP program management consultant actions in response to their assigned tasks in the master service agreement.

The Finance & Administration Manager is responsible to perform the day-to-day business functions supporting the Port and Municipality as required. Duties performed by the staff in this section include receptionist duties; accounts payable and receivable; financial management; and analysis of reports and budgets. The Finance & Administration Manager is also responsible for real estate management, grants management, and budgeting preparation for the Operating and the Capital Improvement Plan.

The Port Engineering Manager develops and oversees all aspects of the existing port's infrastructure engineering requirements; directs the activities of port consultants and contractors; oversees Port construction contracts, including the multi-year engineering services contract; leads the Port's capital budget planning; develops and maintains an engineering project tracking system; leads the Port's capital grant-related application activities; and oversees port geographic information systems (GIS) activities.

The Port's Operations & Maintenance Superintendent oversees all Port operations, to include all aspects of facility maintenance, vessel scheduling, movements and dockside activities, general upkeep and operation of Port facilities, infrastructure, equipment, upkeep and day-to-day management of all municipally owned infrastructure, roads, and docks. Also, under their direction, Port Maintenance is responsible for the dredging and upkeep of the Ship Creek Small Boat Launch and the Dry Barge Berth.



Port of Alaska Docks

The Security & Business Continuity Director oversees the Port's security contract; coordinates with the U.S. Coast Guard (USCG) to verify compliance with federal maritime security/cyber-security mandates; acts as Port's liaison with local, state, and federal law enforcement agencies; and ensures all disaster response and recovery plans are current. Additional responsibilities include: seeking future business development opportunities and working with prospective new tenants to satisfy their business requirements; implementing the Port's marketing, educational and media outreach plans and materials; overseeing the Port's tour programs and special events; and acting as the Port's point of contact for news events and government/legislative liaison activities.

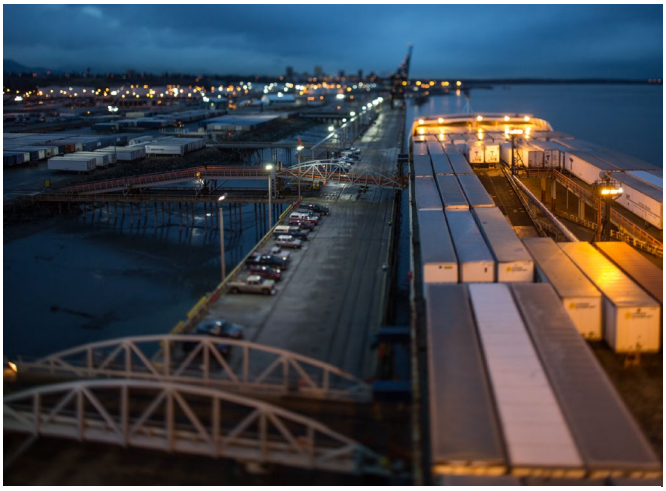


Photo taken by Andre Horton

The Port's Safety Coordinator oversees the Port staff's workplace safety program, heads the Port's Safety Working Group, and coordinates safety-related interactions with the municipality's Risk Management Division. The Safety Coordinator reports directly to the Port Director.


THREE
GENERAL CARGO TERMINALS
(with lift-on/lift-off and
roll-on/roll-off capability)
ONE
PETROLEUM/CEMENT
TERMINAL
ONE
PETROLEUM ONLY
TERMINAL
CONTAINER
LIQUID BULK
DRY BULK
BREAK BULK
DRY BARGE LANDING
CRUISE SHIPS

Port of Alaska
Business Plan

Mission
The Port of Alaska (Port) is committed to provide a modern, safe, and efficient facility to support the movement of goods throughout the State of Alaska.

Services
The Port is a landlord port committed to providing safe, efficient, and dependable facilities and support services to our private and public sector customers. The staff of the Port is responsible for maintaining all of the land, docks, and municipal buildings that encompass the Port of Alaska.

Business Goals
- Provide Port operating expertise and management to the Port of Alaska Modernization Program (PAMP) with the PAMP Director serving as Project Administrator.
- Plan for future facility and service needs of business and public entity customers.
- Conduct periodic facility condition surveys to anticipate age-related challenges and to ensure uninterrupted operations and safety.
- Maintain affordable and competitive tariff rates sufficient to cover operating and capital requirements.
- Provide a safe work environment for both employees and tenants.
- Maintain financially sound operating ratios.
- Deliver accurate and timely billings to tenants and customers, demand timely payments from all users.
- Provide required level of port security under U.S. Coast Guard/Homeland Security directives through a consortium of private tenants and the Port.

Strategies to Achieve Goals
1. Provide year-round access to suitable terminals and docks for movement of containers, dry bulk cargo, and liquid bulk cargo to include petroleum products.
2. Provide seasonal maintenance of and access to the Ship Creek Small Boat Launch.
3. Plan, develop, and operate facilities to accommodate market growth and modernization.
4. Monitor the scheduling of all vessels that call on the Port.
5. Provide centralized Port and tenant security services and emergency management leadership.
6. As a landlord port, manage short-term permits (revocable use permits) and long-term leases of land and buildings.
7. Maintain and ensure uninterrupted 24/7/365 availability of Port owned facilities.
8. Ensure environmental quality of the land within the Port boundaries
9. Assess and manage the collection of all tariffs and user fees associated with vessels calling on the Port and land tenant operations.
10. Manage the Foreign Trade Zone (FTZ) and all FTZ applicants.
11. Coordinate U.S. Army Corps of Engineers dredging of channel, turning basin, and dock face dredging to provide for safe commerce.
12. Host official U.S. Navy, U.S. Coast Guard, National Oceanic Atmospheric Administration (NOAA), foreign navy, and Arctic research vessels on behalf of the Municipality of Anchorage, as needed.

Performance Measures to Track Progress in Achieving Goals

Progress in achieving goals will be measured by:

1. Overtime hours and pay compared to base compensation for current vs prior year.
2. Operating Net Income YTD for current vs prior year.
3. Reportable incidents for current vs prior year (# of incidents, loss of time & cost).

Port of Alaska

Anchorage: Performance. Value. Results.

Mission

Develop and maintain the quality of the Port's infrastructure to meet the needs of our stakeholders and ensure safe and modern infrastructure for the timely delivery of consumer goods and commercial cargo.

Core Services

- Provide all Port users with marine terminals and staging yards free of defects.
- Provide Port petroleum terminal operators with an operable and efficient valve yard and petroleum docks.
- Provide clean and safe roads and transfer yards for use by commercial and port-related vehicles.

Accomplishment Goals

- Ongoing repair and enhancement of deteriorating dock pile and infrastructure.
- Continued maintenance of valve yard valves and piping through scheduled inspections and timely maintenance.
- Continued maintenance and repair of storm drain systems and Ship Creek Boat Launch.
- Inspect dock surface and common areas to ensure cranes, equipment and personnel can operate with minimal threat of damage.
- Oversee the Municipality designated Program Management Office's (PMO) execution of the cost and schedule associated with the Port of Alaska Modernization Project (PAMP).

Performance Measures

Progress in achieving goals will be measured by the following:

Measure #1: Overtime hours and pay compared to base compensation for current vs prior year.

	2021	2022
Total Hours	702	545
Total Cost	$ 41,839	$ 30,851

Measures #2: Operating Net Income year-to-date (YTD) for current vs prior year.

	6/30/2021	6/30/2022	%Growth/(Loss)
***Net Operating Income**	$(3,074,788)	$ (241,951)	92%
Total Cash Flow	$ 894,107	$ 3,726,945	317%

* Unaudited

* Net Operating Income includes Depreciation (non-cash item) and Debt Service payments.

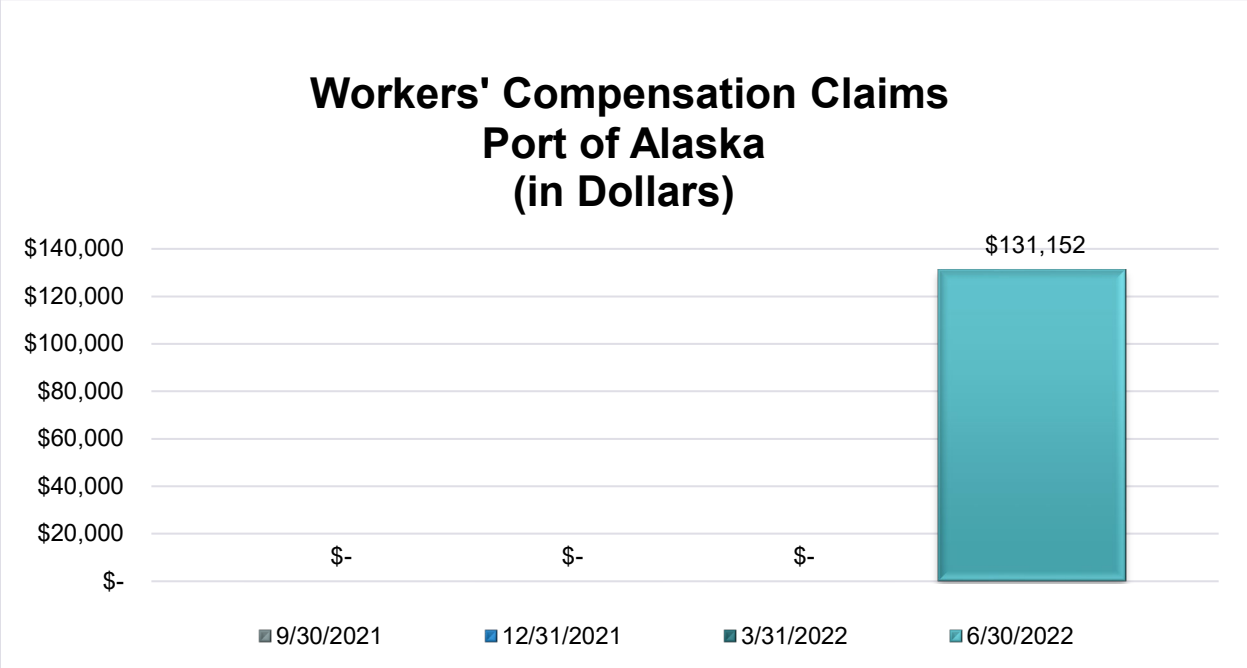
Measures #3: Occupational Safety and Health Administration (OSHA) recordable incidents for current vs prior year (# of incidents, loss of time, and cost).

	2021	2022
# of Incidents	0	1
Loss of Time	0	91 days
Cost	$ 0	$ 131,152

PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



About Port of Alaska

History
The Port of Alaska (Port) commenced operation in September 1961 as the Port of Anchorage, with a single berth. In its first year of operation, 38,000 tons of cargo crossed the dock. On average, around four million tons pass over the dock every year, equating to about 250,000 commercial truck trips through Port property. The Port is a major economic engine and one of the strongest links in the Alaska transportation chain. This chain enables residents statewide, from Cordova to Barrow, to take full advantage of the benefits of inexpensive waterborne commerce through this regional port. The Port and its stakeholders have maintained a notable safety record throughout the five decades of operation. The Port is one of 17 Department of Defense - designated Commercial Strategic Seaports. In October 2017, the Anchorage Assembly voted to change the Port's name to the Port of Alaska to better recognize the state-wide importance of this vital marine Intermodal facility.

Services
Approximately 50% of all waterborne freight entering the State, and 90% of all refined petroleum products sold within the Railbelt and beyond (87% of the State's population) move through the Port of Alaska on an annual basis. Container service is available twice a week from the Port of Tacoma through two domestic ocean carriers. Bulk shipments, both domestic and foreign, involve imports of basic commodities such as cement, refined petroleum products and construction materials. Due to its strategic global position and close proximity to neighboring military bases, Joint Base Elmendorf-Richardson (JBER) and Fort Wainwright are key transportation nodes for Department of Defense concerning mobilization planning, shipping and transporting of jet fuel and other related petroleum products, and bulk cargo for military use.

The Municipality of Anchorage is the grantee of the Foreign Trade Zone (FTZ) No. 160, the only activated FTZ in the State of Alaska. The Port is the Municipal department responsible for the administration of the FTZ program in Anchorage. Under the FTZ Alternate Site Framework construct, the entire Municipality is the identified FTZ. At the present time, there are seven "sub-zones" totaling some 1,000 acres located at the Port, Ted Stevens Anchorage International Airport and at five private sites throughout the Municipality. An application for subzone status for the Andeavor (formerly Tesoro) refinery in Kenai was approved by the United States Department of Commerce Foreign Trade Zones Board in May 2001.

Regulation
Dock revenue rates for the Port are established in the Port's Terminal Tariff No. 9.1 and through contractual Terminal Preferential Usage Agreements. Changes to the tariff and adjustments to the Preferential Usage Agreements' charges require initial approval by the Anchorage Port Commission, and are subject to final approval by the Anchorage Municipal Assembly.

Port Industrial Park Revenue is derived from long-term leases of properties in the 220-acre Port Industrial Park. The leases provide for five-year rate adjustments that are performed in accordance with Anchorage Municipal Code provisions. Leases and lease options are subject to Anchorage Municipal Assembly approval.

Environmental Mandates
The Port complies with a broad range of local, state and federal environmental standards, including all provisions of the National Environmental Policy Act (NEPA), Clean Water Act, Clean Air Act, National Pollution Discharge Elimination System (NPDES), the Marine Mammal

Protection Act (MMPA), Endangered Species Act, and Coastal Zone Management Plan. The Port area was also granted a categorical exclusion from Cook Inlet beluga whale critical habitat for reasons of its strategic importance to the Department of Defense and the State of Alaska.

Physical Plant

- 3,500 feet dock frontage
- Three general cargo terminals with two 30-ton gantry cranes, one 40-ton gantry crane and roll-on/roll-off capability
- Two petroleum terminals with nine, eight-inch, tide-compensating lines
- Bulk Petroleum Valve Yard capable of accommodating multiple simultaneous marine/shore and/or inter-user shore side transfers.
- Dry and break-bulk handling
- Two floating, small-vessel docks
- Dry-barge landing
- All berths dredged to 35-foot depth at mean lower low water
- Two miles of rail-spur connected to Alaska Railroad
- 125 acres of cargo handling and storage yard, 59,200 tons of bulk cement storage and 3.4 million barrels of liquid fuel storage
- On-dock Transit Shed with 27,000 square foot heated storage/office space
- Portable Cranes to 150 tons available
- Adjacent to Alaska Railroad's main cargo yard, two private barge terminals, JBER, and Ted Stevens International Airport (ANC).
- Regional pipeline connections to Nikiski, JBER and ANC.

Port Safety Security and Emergency Preparedness

Because the Port is a lifeline to the State of Alaska, safety, security and emergency preparedness are key parts of Port operations. Threats of natural disasters, accidents, or terrorists potentially disrupting the commerce and fuel supply for 87% of the state's population is of utmost importance. Efforts will continue to prevent and minimize these threats as well as establishing recovery procedures. These efforts are done in conjunction with the Port stakeholders, and Municipal, State, and Federal agencies. The Port continues to undergo security upgrades via Federal Port Security Grant applications and awards. Emergency preparedness planning and drills continue to be held to establish up to date disaster action and mitigation plans.

Master Planning

The Port of Alaska Modernization Program (PAMP) began in 2014 and is solely focused on replacing the deteriorating dock structures that have reached their original design life and were not built to current engineering standards for operational and seismic performance. The initial phase involves construction of a joint-use Petroleum & Cement Terminal (PCT). The effort began with landside preparation and improvements in 2018, which have been followed by terminal construction. The first year's work began in Spring/Summer 2020 and the PCT is scheduled to open in August/September 2022 after final dredging to operational depths and petroleum line certifications are completed. In parallel with this has been the start of the design work for next PAMP phase, which is construction of new cargo docks. The dates for this effort are dependent on securing sufficient funding.

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2000 Anchorage Port Road, Anchorage AK, 99501
Visit the Port of Alaska's website at: www.portofalaska.com

Port of Alaska
Highlights and Future Events

Port of Alaska Modernization Program (PAMP)
The Port's existing marine terminals have reached the end of their life span and suffer from severe corrosion on the wharf piling. It has reached the point where dock operations will have to change in the next 4 to 5 years because of inability to sustain the weight of operational loads. The PAMP will replace two general cargo terminals and two petroleum terminals to ensure infrastructure resilience over a 75-year life cycle. To maintain Port operations during construction, the program will be completed in phases. Phase 1 includes construction of a new Petroleum/Cement Dock. Phases 2 through 4 complete the marine terminal construction, stabilization of the north extension, and re-location of the Port administrative offices.

The program will enable the Port to eventually accommodate deeper draft vessels by allowing for a harbor depth increase from 35 feet to 45 feet when needed. New ship-to-shore container cranes will increase reach for wider vessels. Completion of this program is critically important for the Port to continue to serve 90% of Alaska's population and to maintain its role as one of 17 designated Department of Defense Commercial Strategic Seaports.

Construction of the Phase 1 Petroleum/Cement Terminal is under way and on track to be completed by Fall of 2021. Based on current 15% - 35% complete program design, assuming full up-front funding, and assuming timely permit issuance, the remainder of the program is estimated to be completed by 2028.

Ongoing Facility Maintenance
The Port continues to work diligently to meet its commitment to offer uninterrupted operational capability for Port users while new facilities are in design and construction. Aging facilities not included in the early phases of infrastructure improvements continue to be managed and maintained to the highest standards possible with great attention being paid to the highest priorities addressed first. The recommendations in the Port's Capital Improvement Budget address items needing immediate attention outside of the PAMP. Those include, but are not limited to replacement of aging Port equipment, Ship Creek Boat Launch Dredging and Repairs, Storm Drain System Repair and Enhancement, and continued Port Security upgrades of existing infrastructure.

Link to Port of Alaska Financial Statements:

Microsoft Word - Port of Alaska Fund 21.docx

Description of Major Port Revenues
The Municipality operates the Port as a landlord through various property agreements entered into with tenants of the Port. The property agreements entered into by the Municipality, which convey the right to use, rent or lease Port assets, include: leases, preferential use agreements, revocable permits, and terminal operator permits. The tenants of the Port pay tariff charges (including, but not limited to, dockage (the charge assessed for docking a vessel at a berth), wharfage (the charge assessed when cargo crosses the wharf)), and other fees to the Municipality for the right to use, rent or lease Port facilities. These different revenue sources are provided below.

Dockage
This is a tariff charge assessed to a vessel for docking at the Port wharf. The tariff outlines the basis for charges and provides guidelines for rates based on the length-over-all of the vessel and the length of time the vessel is tied up to the wharf.

Wharfage - Liquid Bulk
Wharfage is the charge assessed by barrel against Petroleum products passing over or under the Port wharf, transferred between vessels, and loaded into land petroleum storage tanks.

Wharfage - General Cargo
Wharfage is the charge assessed by ton for cargo passing over the cargo terminals. The main source of the Port's general cargo revenue is generated by cargo users subject to a negotiated Preferential User Agreement which sets rates outside of the tariff and is based on a scheduled number of Port visits annually. TOTE and Matson are the current Port cargo carriers.

Security Fees
The security fees generated by the Port are from a collaborative agreement of eight stakeholders plus the Port (the Port Security Committee), executed in 2004 to collectively secure the facility security necessary to comply with U.S. Coast Guard requirements for ports. The formula has been agreed upon by all stakeholders where each share a portion of the security cost based on property square footage, tonnage across the dock.

Industrial Park Lease
Port industrial park revenue is derived from long-term leases of properties in the 220-acre Port Industrial Park. The leases provide for five-year rate adjustments that are performed in accordance with Anchorage Municipal Code provisions. Leases and lease options are subject to Assembly approval. This revenue represents short term permit rentals for Port users to meet their storage need when a temporary increase in business occurs. This revenue is unpredictable due to the fact that it is earned when an increase in regular business happens, so the Port is not able to plan on this revenue.

Commercial Passenger Vessel Tax (Cruise Ship Tax)
The State imposes an excise tax on travel on commercial passenger vessels (CPVs), typically cruise ships that have 250 or more berths and provide overnight accommodations in the State's marine waters. Passengers traveling on qualified commercial passengers are liable for the tax. The commercial passenger vessel excise tax rate is $34.50 per passenger, per voyage. Cruise ship companies and commercial passenger vessel owners file returns and pay taxes monthly. The due date is the last day of the month following the month in which the voyages ended. The State's Department of Revenue's Tax Division deposits all proceeds from the CPV excise tax into the commercial Vessel Passenger (CVP) tax account in the General Fund. Subject to appropriation by the State Legislature from the account, the Division distributes $5 per passenger to each of the first seven ports of call in Alaska. The tax is further reduced by any municipal taxes imposed on each passenger that were in effect prior to December 17, 2007. In light of COVID-19 reduced sailings to the Port of Alaska, this revenue was provided by the State of Alaska through COVID relief funds for 2020 and 2021.

Preferential Use Agreements
The Municipality has reserved the right under Tariff 9.1 to negotiate preferential user rates and terms providing for a reduced charge for dockage, wharfage, and real estate with requesting users who agree to provide profitable long-term business arrangements with the Port. The Municipality has preferential use agreements (PUA) with Matson and TOTE. Both the Matson

and TOTE PUAs provide for monthly dockage and wharfage payments subject to escalation. Neither the Matson nor the TOTE PUA contains guaranteed annual minimum payments. The TOTE PUA expires 12/31/2026 and provides for two (2) successive period of five (5) years each upon mutually agreeable terms and conditions. The Matson PUA expires 12/31/2025 and provides for two (2) successive period of five (5) years each upon mutually agreeable terms and conditions.

Description of Major Port Expenses

Non-Labor

This category is representative of operating expenses necessary to operate and maintain the Port. It includes supplies such as tires and fuel for equipment used to maintain roads and docks in good condition for Port users. Non-labor also includes professional engineering services as needed to assist in projects of maintenance and repairs to Port infrastructure where engineering services cannot be provided by the Port. Non-labor is also the accounting group where the cost for the Port's Facility Security contract is paid. (Security fees noted above offset this cost to the Port. The Port's security expense is 11.9% of the contract).

Legal Services

This category is representative of legal expenses and expert witness fees incurred in connection with two broad categories. The majority of these expenses relate to ongoing litigation against the United States Maritime Administration, a division of the United States Department of Transportation. The lawsuit, commenced in 2013, seeks to recover damages incurred by the Port due to the Maritime Administration's mismanagement of a port expansion project that was terminated in 2012. Trial was held in February 2021, and after which fees have been substantially reduced. A final judgement was entered on February 24, 2021, awarding MOA the sum of $367,466,809. The judgement was timely appealed to the United States Court of Appeals for the Federal Circuit on April 24, 2022 and is pending. The second category represents legal expense relates to occasions when specialized legal assistance is required, such as the filings relating to the Port Foreign Trade Zone 160.

MESA and Dividend Payments

Municipal Enterprise Service Assessment (MESA) is a service assessment required by code AMC11.50.280. MESA is paid to general government in lieu of property tax and the calculation is outlined in the code. This calculation is based on the net book value of Port assets. The Dividend calculation is outlined in AMC 26.10.065 as a mechanism to return a portion of surplus revenues, if available, after the legislated calculation is performed.

Tariffs

Pursuant to Anchorage Municipal Code 11.50.030(B), the Anchorage Port Commission regulates the operation of terminal and transportation facilities at the Port by promulgating a terminal tariff containing rates, charges, rules and regulations applicable at the Port and subject to the approval of the Assembly and filed with the Federal Maritime Commission. Dock revenue rates for the Port are established in the Port's Terminal Tariff No. 9.1 and through contractual Preferential Usage Agreements. Changes to the tariff require approval by the Commission and are subject to final approval by the Assembly.

In 2019, the Port undertook an extensive review of the tariff rates in light of the expiration of Tariff 8.2 on December 31, 2019 and the potential requirement to create capacity in the Port's income stream for debt service coverage to repay future borrowings necessary in order to complete the PCT. Following the review of the tariff and the completion of a Revenue Requirements report, which included various rate scenarios and recommendations provided by

an independent contractor, the Commission promulgated a ten-year tariff with a rate structure that would support ongoing operations of the Port as well as provide income for future debt service payments to complete the PCT. The Assembly approved the rates, terms and conditions of the Port's Terminal Tariff 9.0 and it was implemented on January 1, 2020. Tariff 9.0 increased all tariff fees as described in the table below. Additionally, commodity-specific rate increases for operating and debt service coverage on petroleum and cement were implemented as described below. The Commission will review the established tariff rates each year and revise as needed to meet operating and debt service coverage requirements. The entire Tariff 9.1 document (including individual rates) can be found at: Microsoft Word - POA Terminal Tariff 9.1 (portofalaska.com)

The Port's Tariff 9.0 was designed and approved to put in place a 10-year rate plan in support of not only continued Port operations, but also to pay debt service coverage requirements to complete construction of the PCT. Tariff 9.0 was created in a joint effort of the Port and Municipal administration, an independent professional port tariff consulting firm and provided an opportunity for public comment for the Port customers and users and the public concerning the recommended rates set for the Port to accomplish the goal of completed construction of the PCT. In March 1, 2022, changes were made to the Rules and Regulations section of the tariff, which prompted a change to its numeric designation. The Port's in-force Terminal Tariff is now numbered 9.1.

Tariff Setting Methodology

Tariff rates are established based on a revenue requirement methodology of having users pay for their facility improvements and operations. Costs related to common use facilities and Port CIP are charged ratably through the base tariff rates. Nothing prevents the Municipality from changing this methodology. See "Preferential Use Agreements" herein.

Approved Tariff 9.1 Rate Increases

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Petroleum	23.81%	24.24%	12.95%	12.95%	12.95%	12.95%	12.95%	8.65%	5.64%	5.64%
Cement	23.81%	24.24%	12.95%	12.95%	12.95%	12.95%	12.95%	8.65%	5.64%	5.64%
Other	3.50%	3.93%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	-	-

Recap of Historical Rates per Ton (10 Years 2011 – 2020)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Tonnage	4,988	4,704	4,266	3,949	3,498	3,498	3,776	3,456	3,408	3,754
Total Rates/Ton	$3.20	$3.25	$2.98	$3.12	$3.34	$3.54	$3.25	$3.45	$2.95	$2.72

(Note: Rates/Ton is calculated by dividing total tonnage across the dock by operating expenses.)

Port of Alaska
External Impacts

Continued development and infrastructure replacement at North Slope, offshore, and Cook Inlet oil and gas fields, including potential construction of a pipeline to tidewater for liquefied natural gas (LNG) export, and construction of the Ambler Mining Road and the associated follow-on mineral extraction activities.

Catching up with the changing equipment and infrastructure needs of the maritime shipping industry so as not to lose relevance, to keep Port users competitive, and to keep the cost of goods to the consumer reasonable.

Sustaining the response to jet fuel requirements from Ted Stevens Anchorage International Airport and Joint Base Elmendorf-Richardson (JBER).

Designation of the Port of Alaska as one of 18 Department of Defense – designated Commercial Strategic Seaports.

Unpredictability of State and Federal funding.

Unpredictable terrorist events affecting implementation of Department of Homeland Security laws and regulations.

Port of Alaska
Capital Overview

Capital Project Selection Process
The process of choosing funded projects for the existing Port infrastructure in our Capital Improvement Program (CIP) begins with an inspection of the facility led by our engineering services contractor, Michael Baker International. Documentation and estimates for all repairs that fall into the definition of a capital project are prepared for decisions to be made in regard to funding sources and when the projects will be constructed.

There are large assets at the Port that may require multiple years to complete, we then prepare the budget based on the expected amount that will be spent for each year until it is complete. Examples include but are not limited to wharf pile enhancements, fender systems, and storm drains. Heavy equipment replacements are budgeted based on the life of the asset and the maintenance requirement costs.

Funding sources for necessary projects are identified based on availability of Port equity, and with large projects, the opportunity to access capital funding mechanisms such as loans or bonds.

Significant Projects
Storm Drain Enhancements – The 2023 Capital project work at the Port includes continued work on the infrastructure of the storm drain system. This work will consist of concentrated repair and enhancement of Storm Drain systems 1 & 2. This intent of this work is to ensure good working conditions and prevent failures and potential sink holes from developing throughout the Port.

Ship Creek Boat Launch Repairs – Capital work is continuing on the Ship Creek Boat Launch with funds requested for dredging to keep the launch useable by the Anchorage Fire Department and citizens who use this launch for recreational and commercial purposes.

Port of Alaska Modernization Program (PAMP) –

The significant 2023 projects on the horizon are:

1. Cargo Terminals – completing Cargo Dock preliminary design for the PAMP
2. Administration Building – design and construction of a replacement Port of Alaska Administration Building
3. Port's North Extension Stabilization Step 1 – completing the design for and removal of the first portion of the Port's North Extension, declared to be unsafe and the substance of the ongoing lawsuit between the Municipality and the U.S. Maritime Administration. This is necessary in order to assure safe navigation to the existing cargo docks while construction on the new cargo docks begins.

Impacts on Future Operating Budgets
Once revitalized and repaired, the ongoing maintenance and operating costs on the infrastructure will be less, however, the funds to complete these PAMP projects will potentially create debt service and will impact tariff/user fees charged for services at the Port. The amount of increase for user fees, as it directly correlates to debt service, are currently under consideration and will be presented to the Port Commission and ultimately the Assembly for enactment at some time in 2023.

Port of Alaska
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	16,463	16,060	16,775	17,194	17,624	18,065	18,516	18,979
Expenses and Transfers [1]	22,637	21,853	24,457	24,788	25,160	25,538	25,921	26,309
Net Income(Loss)	**(6,174)**	**(5,793)**	**(7,682)**	**(7,594)**	**(7,536)**	**(7,473)**	**(7,404)**	**(7,330)**
Charges by/to Other Departments	1,199	1,422	1,454	1,435	1,457	1,479	1,501	1,523
Municipal Enterprise/Utility Service Assessment	1,356	1,391	1,240	1,258	1,572	1,596	1,612	1,612
Dividend to General Government	690	736	736	736	736	736	736	736
Transfers to General Government [2]	**3,245**	**3,549**	**3,430**	**3,429**	**3,765**	**3,810**	**3,848**	**3,871**
Operating Cash	12,912	14,412	15,912	16,310	16,718	17,135	17,564	18,003
Restricted Cash - Debt Service	5,693	7,967	7,967	7,967	7,967	7,967	7,967	7,967
Construction Cash Pool	3,323	4,185	5,575	2,650	2,650	1,021,550	2,500	2,650
Restricted Cash	1,950	1,950	1,950	-	-	-	-	-
Total Cash	**23,878**	**28,514**	**31,404**	**26,927**	**27,335**	**1,046,652**	**28,031**	**28,620**
Net Position/Equity 12/31	279,499	289,726	300,063	313,723	327,790	344,926	359,990	375,343
Capital Assets Beginning Balance	347,237	412,826	485,960	620,384	649,434	656,234	662,634	669,034
Asset Additions Placed in Service	65,376	73,059	134,424	29,050	3,050	2,650	2,650	1,021,550
Assets Retired	-	75	-	-	-	-	-	-
Change Depreciation (Increase)/Decrease	213	-	-	-	3,750	3,750	3,750	3,750
Net Capital Assets (12/31)	**412,826**	**485,960**	**620,384**	**649,434**	**656,234**	**662,634**	**669,034**	**1,694,334**
Equity Funding Available for Capital	2,831	1,839	3,148	2,609	3,027	3,463	3,204	3,335
Debt								
New Debt - Bonds	-	-	-	-	-	-	-	-
New Debt - Loans or Other[3]	-	-	-	-	-	-	-	-
Total Outstanding LT Debt	109,045	109,045	108,330	107,805	107,435	106,050	104,205	102,340
Total Annual Debt Service Payment	2,332	2,281	2,996	2,798	2,363	3,646	4,082	4,067
Debt Service Requirement	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**
Debt Service Coverage (Bond)	-	-	3.46	2.13	2.52	2.51	1.70	1.73
Debt Service Coverage (Total)	-	-	3.46	2.13	2.52	2.51	1.70	1.73
Debt/Equity Ratio	25/75	30/70	22/78	37/63	34/66	31/69	29/71	26/74
Tariff Wharfage Rates (01/15):								
1250 Petroleum, Bulk / Barrel	$0.164	$0.168	$0.173	$0.179	$0.184	$0.190	$0.195	$0.195
1250 Cement, Bulk / Ton	$2.57	$2.90	$3.28	$3.70	$4.18	$4.72	$5.13	$5.42
Statistical/Performance Trends:								
Tonnage (in thousands)	4,988	4,890	4,963	5,013	5,063	5,114	5,165	5,217
Operating Revenue/Ton	3.20	3.30	3.28	3.28	3.28	3.28	3.28	3.28

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.
[2] Included in total expenses calculated in Net Income.
[3] Line of Credit renewed in June 2021 - 2yr term, February 2020 - Assembly authorized issuance of $100million Revenue Bonds

Port of Alaska
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Dock Revenue	9,159,336	7,933,000	(65,787)	7,998,787	645,757	8,644,544	8.07%
Wharfage Dry Goods - Debt Service	-	81,654	81,654	-	62,319	62,319	0.00%
Wharfage Bulk Liquid - Debt Service	-	1,452,720	1,452,720	-	791,924	791,924	0.00%
Industrial Park Revenue	4,509,536	4,500,000	(241,194)	4,741,194	-	4,741,194	0.00%
Security Fees	1,502,007	1,500,000	22,025	1,477,975	-	1,477,975	0.00%
Reimbursed Costs	29,798	35,000	15,000	20,000	-	20,000	0.00%
Miscellaneous	1,027,627	847,755	(47,892)	895,647	-	895,647	0.00%
Total Operating Revenue	**16,228,304**	**16,350,129**	**1,216,526**	**15,133,603**	**1,500,000**	**16,633,603**	**9.91%**
Non Operating Revenue							
Pipeline Right-of-Way Fee	208,749	210,096	37,096	173,000	-	173,000	0.00%
Investment Income	25,049	(500,000)	(594,000)	94,000	(126,000)	(32,000)	-134.04%
Other Income	1,076	-	-	-	-	-	0.00%
Total Non Operating Revenue	**234,873**	**(289,904)**	**(556,904)**	**267,000**	**(126,000)**	**141,000**	**-47.19%**
Total Revenue	**16,463,177**	**16,060,225**	**659,622**	**15,400,603**	**1,374,000**	**16,774,603**	**8.92%**
Operating Expense							
Salaries and Benefits	2,652,753	2,578,000	(297,568)	2,875,568	63,637	2,939,205	2.21%
Overtime	42,129	65,000	(8,421)	73,421	-	73,421	0.00%
Total Labor	2,694,882	2,643,000	(305,989)	2,948,989	63,637	3,012,626	2.16%
Supplies	148,856	223,300	(12,000)	235,300	-	235,300	0.00%
Travel	7,163	19,795	-	19,795	-	19,795	0.00%
Contractual/Other Services	6,946,488	4,797,301	(1,311,834)	6,109,135	-	6,109,135	0.00%
Equipment/Furnishings	30,326	7,400	(33,100)	40,500	-	40,500	0.00%
Contributions to Other Funds	-	-	-	-	-	-	0.00%
Dividend to General Government	689,753	736,369	-	736,369	-	736,369	0.00%
Manageable Direct Cost Total	7,822,586	5,784,165	(1,356,934)	7,141,099	-	7,141,099	0.00%
Municipal Enterprise/Utility Service Assessment	1,355,911	1,390,551	-	1,390,551	(150,911)	1,239,640	-10.85%
Depreciation/Amortization	7,231,394	7,937,791	-	7,937,791	-	7,937,791	0.00%
Non-Manageable Direct Cost Total	8,587,304	9,328,342	-	9,328,342	(150,911)	9,177,431	-1.62%
Charges by/to Other Departments	1,198,671	1,422,250	(4,005)	1,426,255	28,223	1,454,478	1.98%
Total Operating Expense	**20,303,443**	**19,177,757**	**(1,666,928)**	**20,844,685**	**(59,051)**	**20,785,634**	**-0.28%**
Non Operating Expense							
Debt Issuance Costs	209,333	25,000	-	25,000	-	25,000	0.00%
Interest on Bonded Debt	2,123,958	2,650,000	-	2,650,000	996,000	3,646,000	37.58%
Total Non Operating Expense	**2,333,292**	**2,675,000**	**-**	**2,675,000**	**996,000**	**3,671,000**	**37.23%**
Total Expense	**22,636,735**	**21,852,757**	**(1,666,928)**	**23,519,685**	**936,949**	**24,456,634**	**3.98%**
Net Income (Loss)	**(6,173,557)**	**(5,792,532)**	**2,326,550**	**(8,119,082)**	**437,051**	**(7,682,031)**	**-5.38%**
Appropriation:							
Total Expense		**21,852,757**	**(1,666,928)**	**23,519,685**	**936,949**	**24,456,634**	**3.98%**
Less: Non Cash Items							
Depreciation/Amortization		7,937,791	-	7,937,791	-	7,937,791	0.00%
Total Non-Cash		7,937,791	-	7,937,791	-	7,937,791	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**13,914,966**	**(1,666,928)**	**15,581,894**	**936,949**	**16,518,843**	**6.01%**

Port of Alaska
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

	Expenses	Positions FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	**15,581,894**	**21**	**-**	**-**
Transfers by/to Other Departments				
- Charges by Other Departments	28,223	-	-	-
- Municipal Enterprise Service Assessment (MESA)	(150,911)	-	-	-
Debt Service Charges				
- Interest on Bonded Debt	996,000	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	63,637	-	-	-
2023 Continuation Level	**16,518,843**	21	-	**-**
2023 Proposed Budget Changes				
- None	-	-	-	-
2023 Proposed Budget	**16,518,843**	**21**	**-**	**-**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**16,518,843**	**21**	**-**	**-**
	2023 Proposed FTE			
	21.0	**21.0**	**-**	**-**

Port of Alaska Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
PAMP - Cargo Terminals	-	400,000	-	-	400,000
Port Equipment	-	-	-	350	350
Port of Alaska Master Plan	-	-	-	300	300
Port of Alaska Sand Tent Replacement	-	-	-	1,000	1,000
Ship Creek Boat Launch Dredging & Repairs	-	-	-	150	150
Storm Drain Enhancements	-	-	-	2,500	2,500
Tract J Road Access - Port Security Grant	-	-	3,825	1,275	5,100
Total	**-**	**400,000**	**3,825**	**5,575**	**409,400**

Port of Alaska Department
2023 - 2028 Capital Improvement Program

($ in thousands)

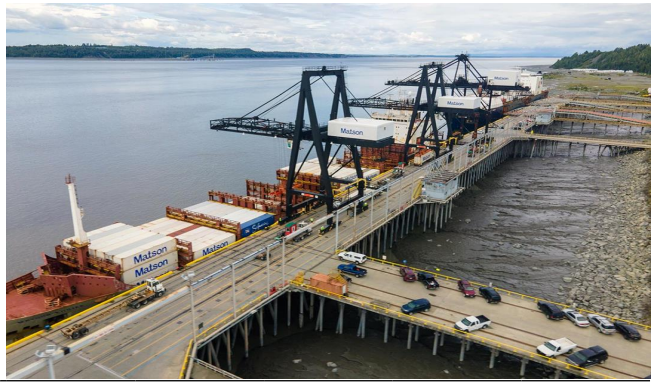
Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Equipment						
Port Equipment	2023	-	-	-	350	350
Facilities						
Ship Creek Boat Launch Dredging & Repairs	2023	-	-	-	150	150
	2024	-	-	-	150	150
	2025	-	-	-	150	150
	2026	-	-	-	150	150
	2027	-	-	-	150	150
	2028	-	-	-	150	150
		-	-	-	900	900
Port of Alaska Industrial Park Enhancements						
Port of Alaska Master Plan	2023	-	-	-	300	300
Storm Drain Enhancements	2023	-	-	-	2,500	2,500
	2024	-	-	-	2,500	2,500
	2025	-	-	-	2,500	2,500
	2026	-	-	-	2,500	2,500
	2027	-	-	-	2,500	2,500
	2028	-	-	-	2,500	2,500
		-	-	-	15,000	15,000
Tract J Road Access - Port Security Grant	2023	-	-	3,825	1,275	5,100
Port of Alaska Modernization Program (PAMP)						
PAMP - Cargo Terminals	2023	-	400,000	-	-	400,000
	2024	-	400,000	-	-	400,000
	2025	-	400,000	-	-	400,000
		-	1,200,000	-	-	1,200,000
Port of Alaska Sand Tent Replacement	2023	-	-	-	1,000	1,000
	Total	**-**	**1,200,000**	**3,825**	**18,825**	**1,222,650**

PAMP - Cargo Terminals

Project ID	POA2022004	**Department**	Port of Alaska
Project Type	Upgrade	**Start Date**	January 2025
District		**End Date**	December 2025
Community Council			

Description

Replacement of deteriorating dock structures with new cargo terminals designed to improved engineering and seismically resilient standards. Replacement of current docks will provide improved operational safety and efficiency and accommodate modern shipping operations.



Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
SOA Grant Revenue-Direct	570900 - Port Capital Grant	400,000	400,000	400,000	-	-	-	1,200,000
Total (in thousands)		**400,000**	**400,000**	**400,000**	**-**	**-**	**-**	**1,200,000**

Port Equipment

Project ID	POA2021001	**Department**	Port of Alaska
Project Type	New	**Start Date**	January 2023
District	Tax: 1 - City/Anchorage	**End Date**	December 2023
Community Council			

Description

Replacing aging Port equipment - forklift and 58-foot telescopic crane (POL2, replacing crane from 1990)

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	350	-	-	-	-	-	350
Total (in thousands)		**350**	**-**	**-**	**-**	**-**	**-**	**350**

Port of Alaska Sand Tent Replacement

Project ID	POA2023001	**Department**	Port of Alaska
Project Type	Reconstruction	**Start Date**	January 2023
District		**End Date**	December 2023
Community Council			

Description

Purchase and place into service a new sand tent required due to the demolition of the previous sand tent which was demolished due to the construction of the new Port Administration building.

Version 2023 Proposed

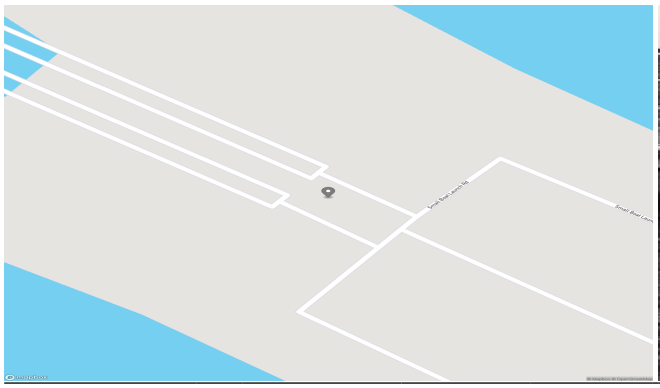
		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	1,000	-	-	-	-	-	1,000
Total (in thousands)		**1,000**	**-**	**-**	**-**	**-**	**-**	**1,000**

Ship Creek Boat Launch Dredging & Repairs

Project ID	POA2021004	**Department**	Port of Alaska
Project Type	Reconstruction	**Start Date**	January 2023
District	Tax: 1 - City/Anchorage	**End Date**	December 2029
Community Council			

Description

Indentify, evaluate, repair or replace infrastucture shoring and piling necessary for operations and complete annual dredging for boat launch



Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	150	150	150	150	150	150	900
Total (in thousands)		**150**	**150**	**150**	**150**	**150**	**150**	**900**

Storm Drain Enhancements

Project ID	POA2021002	**Department**	Port of Alaska
Project Type	Upgrade	**Start Date**	January 2020
District	Tax: 1 - City/Anchorage	**End Date**	December 2028
Community Council			

Description

Identify, evaluate, and repair as needed to ensure proper function of the storm drain system on the Port of Alaska.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	2,500	2,500	2,500	2,500	2,500	2,500	15,000
Total (in thousands)		**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**15,000**

Tract J Road Access - Port Security Grant

Project ID	POA2023003	**Department**	Port of Alaska
Project Type	Improvement	**Start Date**	January 2023
District		**End Date**	December 2026
Community Council			

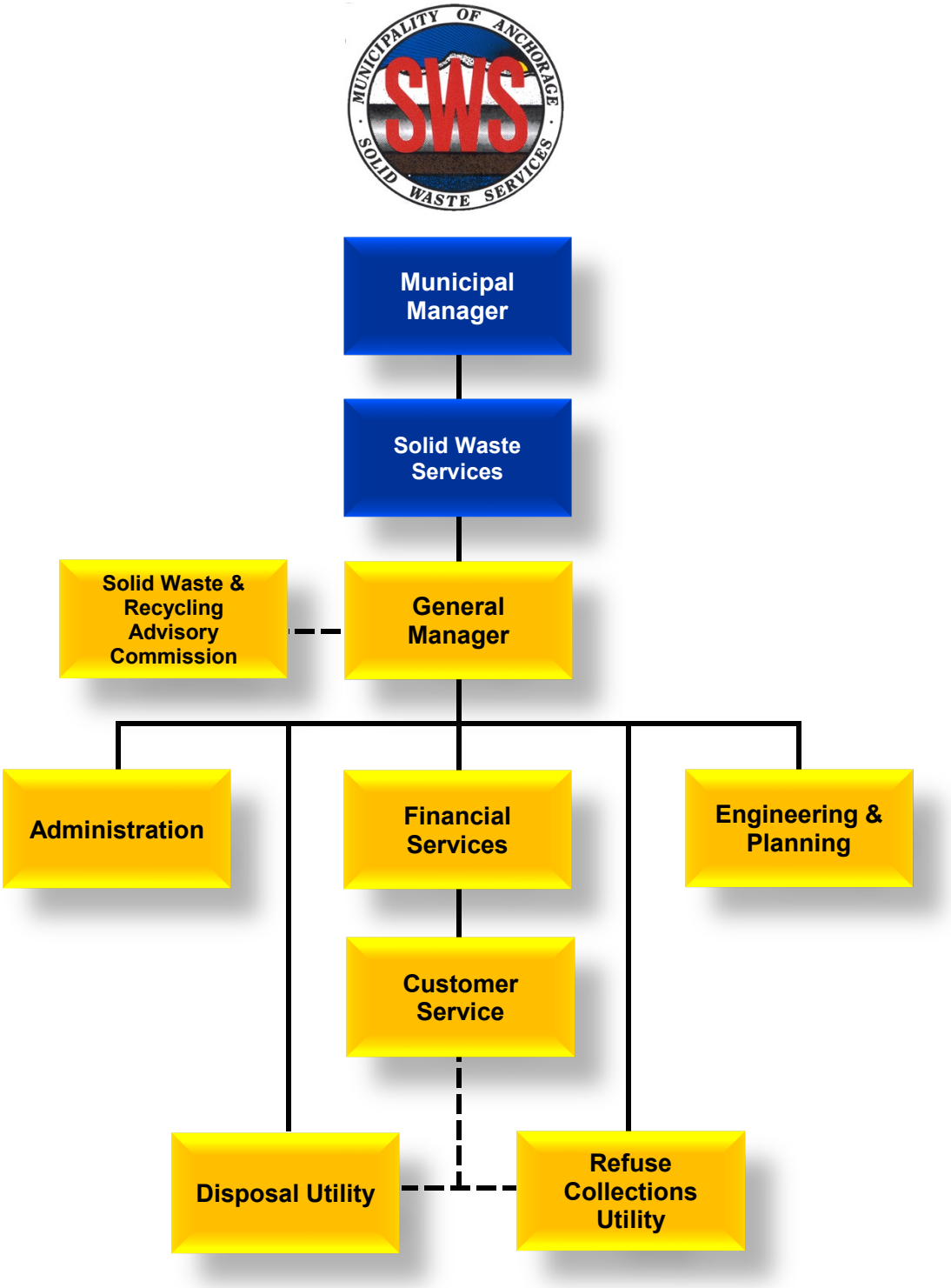
Description

Road enhancement for emergency access off the Port in the event of an emergency.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	570900 - Port Capital Grant	3,825	-	-	-	-	-	3,825
Net Position	570800 - Port Operating Contributions	1,275	-	-	-	-	-	1,275
Total (in thousands)		**5,100**	**-**	**-**	**-**	**-**	**-**	**5,100**

Solid Waste Services



Solid Waste Services
Organizational Overview

The Municipality of Anchorage's (MOA) Department of Solid Waste Services (SWS), comprised of the Refuse Collection Utility (RCU) and Solid Waste Disposal Utility (SWSDU), is defined as a municipal utility by Anchorage Municipal Code (AMC 26.10.015). The Utilities are self-funded and self-supporting by revenues derived from operations, primarily customer fees for services. No tax dollars are used by SWS operations. By Code and Municipal Charter, each utility is required to operate in accordance with general business standards common to the solid waste industry (Charter Article 16.01) and to provide a reasonable profit in accordance with industry standards (AMC 26.10.060).

To support the RCU and SWSDU, SWS has three additional operating divisions: Engineering & Planning, Finance, and Administration. The customer service team reports to the Chief Financial Officer, as a subsection of Finance. Each SWS division supervisor reports to the General Manager

General Manager
The General Manager is responsible for the overall management of SWS. The General Manager oversees operational decisions, with the Solid Waste and Recycling Advisory Commission (SWRAC) providing an overview of strategies, operating plans and budgets, along with offering input on solid waste issues, ordinances and policies and providing recommendations to the Mayor.

Refuse Collection Utility (RCU)
The RCU provides both residential and commercial service to the former City of Anchorage service area. The RCU has converted 99% of its residential customers to automated collections operations. There are approximately 100 customers which still receive manual can and bag pickup.

Solid Waste Recycling and Commercial Collection Services

Commercial refuse collection consists of six routes serviced Monday through Friday and three additional routes serviced on Saturdays. This equates to the servicing of over 5,000 dumpsters on a weekly basis. All commercial refuse collected is unloaded at the Central Transfer Station (CTS). There is also a commercial glass collection route that services numerous businesses throughout the SWS service area.

Residential refuse collection consists of 11 routes serviced Monday through Friday for over 10,000 customers. All residential refuse is collected and unloaded at CTS. Curbside recycling is performed by two routes that service over 9,500 customers on a bi-weekly basis. Mixed paper and cardboard recycling collection is also provided to more than 50 municipal offices on a weekly, bi-weekly, or monthly basis. All recycling is transported and unloaded at the Anchorage Recycling Center (ARC) and SWS pays a recycling tipping fee. Residential organics (food scraps and yard waste) collection is also now available and there are approximately 1,200 customers enrolled with this service. This collected material is transported to a regional facility that converts it to compost for use by commercial and residential customers.

A commercial glass collection pilot program was rolled out in late 2019 and continued in 2020 to test the effectiveness of this type of collection from commercial generators. In 2021, a glass collection route services businesses that have elected to retain the service, diverting glass from the landfill.

All refuse and recycling collection activities are currently performed by 27 full time employees. The RCU fleet consists of: ten 40 cubic yard commercial frontload vehicles; nine 27 cubic yard automated sideload vehicles; one 25 cubic yard rear loader; numerous light-duty support vehicles, including a fully electric box truck; and one forklift. RCU vehicle maintenance employees repair and maintain this fleet within a warm storage facility located at the CTS. Residential and Commercial collection operators are members of the local Teamster's union with the vehicle maintenance employees being part of the International Brotherhood of Electrical Workers (IBEW). All operators are required to participate in a pre-route safety-operations briefing, and daily Department of Transportation (DOT) required pre-shift and post-shift vehicle inspections.

Solid Waste Disposal Utility (SWDU)
The main function of the SWSDU is to dispose of household and commercial refuse generated within the MOA. The refuse is brought to three locations: Girdwood Transfer Station (GTS), CTS, and the Anchorage Regional Landfill (ARL). The SWSDU has an extensive fleet of specialized equipment for the disposal of refuse that is maintained, operated, and supported by highly skilled and trained staff.

GTS received over 690 tons of refuse in 2020. GTS has a paved area where solid waste is discarded into an enclosure containing a 120-cubic yard trailer for transfer to CTS. GTS accepts used oil and batteries from customers and these items are picked up by SWS's Household Hazardous Waste (HHW) contractors for proper disposal, recycling, or for reuse.

Solid Waste - Anchorage Regional Landfill

CTS is located between the Old and New Seward Highways on 56th Avenue. Solid waste disposed of at CTS is transferred by SWS tractors pulling 120 cubic yard (approximately 20-tons at a time) open top trailers to ARL. An average of 600 tons per day of solid waste is transferred from CTS to ARL. CTS also has an HHW disposal location and accepts residential used oil, batteries, and appliances that are picked up by contractors for proper disposal, recycling, or for reuse. Customers can drop off small quantities (less than 220 pounds per month) of unregulated hazardous waste which is not allowed to be disposed at ARL. A total of 25 SWS operators perform the various duties and operations associated with CTS.

ARL is located near the intersection of the Glenn Highway and Hiland Road near Eagle River. It is a 275-acre, award-winning, subtitle D landfill that typically processes more than 1,000 tons of refuse daily. Currently, 11 cells are constructed, with a total of 12 cells to be developed at full build out of the facility. Every day solid waste is compacted and then covered with soil using

bulldozers or alternative daily cover such as plastic tarps, grinded wood waste and recycled construction and demolition debris. The soil cover material comes from the excavation of future cells located on-site. Each landfill cell is lined and contains a leachate (water) collection system. Leachate is collected and transported in pipelines at the bottom of the landfill to collection lagoons for pre-treatment by aeration to increase the oxygen levels within it. On average, three specially designed leachate tankers transport and dispose of over 30 million-gallons per year at the Anchorage Water & Wastewater Utility's Turpin Road dump station. ARL employees are responsible for the daily disposal of all of the MOA's refuse, the excavation and hauling of daily cover material, the installation and maintenance of landfill gas recovery wells and lines, the hauling of leachate, the building and maintaining of roads, snow removal, dust control and equipment repair. Located within a warm storage facility located at ARL, vehicle maintenance employees repair and maintain heavy equipment and SWSDU vehicles. A total of 26 SWS operators and mechanics perform the various duties and operations associated with ARL. The main HHW facility is located at ARL and is operated by a contractor that serves residential and small business customers.

Due to the 7.2 magnitude, November 30, 2018, earthquake in the MOA, the warm storage, vehicle maintenance, and administration facilities have been rendered unusable and staff are being housed in temporary facilities until the permanent structures can be reconstructed. Construction of the replacement facilities at ARL commenced in June 2021 and they are expected to be completed by July 2022. This construction project is being completed with the assistance of the State of Alaska and the Federal Emergency Management Agency (FEMA).

City-wide recycling has stabilized, and trash disposed at the landfill has remained steady for several years. Funded from a recycling surcharge, the recycling program promotes recycling and the recycling industry with the goal of extending the ultimate life of the landfill. One fulltime recycling coordinator answers public inquiries, and, in coordination with private and non-profit partners, prepares educational media (including social media) campaigns and events related to recycling throughout the MOA. A sustainability coordinator position was added in 2019 with the vision of expanding the recycling and diversion programs within the MOA and ultimately extending the life of ARL. The surcharge has funded the development of an expanded paved public recycling drop-off site at the landfill. ARL currently accepts aluminum cans, paper, plastic, and cardboard. The materials are then transported to the Anchorage Recycling Center.

The program also provides support for public space recycling and to the Anchorage School District (ASD) by collecting mixed paper from all their facilities. The recycling program along with assistance from ASD and Alaska Waste funds a recycling coordinator position for the district that helps to promote education for students and the reduction of waste generated from their facilities. Recycling within the MOA is further supported through a grant for Christmas tree recycling. A large, but less visible effort is economic and business development grants. These funds are given to local recycling businesses for developing ideas for reusing materials in-state, such as glass, tires, construction and demolition debris, and organics

Engineering & Planning
The Engineering & Planning Division consists of one engineer/manager, one civil engineer, one engineering intern, and two engineering technicians. The group has the following main tasks:

- Planning, design and construction of new facilities;
- Major facility upgrades and repairs;
- Technical landfill operations;
- Landfill gas (LFG) collection system operation; and,

- Regulatory compliance.

The division is responsible for the planning, design and management of construction activities related to landfill expansion, LFG collection system expansion and maintenance, CTS improvements, and landfill closure projects. The division relies on contracted engineering services for major design and construction projects. The division has also engaged AWWU engineering staff to assist with the management of a leachate disposal project. As the landfill development progresses, engineering efforts will turn more toward closure and reclamation projects such as capping, re-vegetation and storm water management as well as the design and construction of the new CTS. The current closure cost includes $60M of closure construction work, and $39M (both in 2020 dollars) of post closure care costs that will be conducted over a period of 30 years following the closure of ARL.

As SWS facilities age (many are over 30-years old), the division is responsible for the procurement of services for major repair and maintenance activities as well as new ones. These activities include periodic reconstruction of the CTS tipping floor; heating, ventilation, and air conditioning (HVAC) systems; paving of roads and work areas at ARL; rehabilitation of landfill gas and leachate wells and piping systems; and the design and construction of the new CTS.

The division provides technical support to the SWSDU ARL staff to improve landfill operations and maximize airspace utilization. The division helps re-engineer outer landfill slopes which recovers valuable landfill airspace and regularly monitors waste compaction and daily cover quantities in order to re-evaluate these estimates. The division provides support for planning fill operations, developing access roads, and efficiently mining cover materials from the site. As an example, the landfill crew, in addition to processing solid waste, can also mine gravel for current and future cover operations.

The LFG collection system currently supplies Doyon Utilities (DU) with gas to power a 7 megawatt electrical generating plant which provides power to the Fort Richardson side of Joint Base Elmendorf-Richardson (JBER). LFG activities at ARL include daily checks of key operating parameters, as well as routine maintenance of LFG well heads and monitoring equipment. The system currently requires a bi-weekly check and rebalancing of over 68 gas collection points to optimize the efficiency of the gas collection system while maximizing the gas output delivered to DU.

The division is responsible for compliance with environmental regulations at ARL as well as three closed landfill sites. All sites have groundwater monitoring and reporting requirements, as well as solid waste permit compliance relating to operation or post-closure monitoring. The Merrill Field landfill site has active landfill gas and leachate management systems which have both operational and regulatory reporting requirements. ARL operates under an active Class I landfill operating permit, as well as a Title V Air Quality operating permit, both issued by the Alaska Department of Environmental Conservation (ADEC). In addition to specific operating requirements, these permits require numerous inspections, as well as documentation and reporting requirements. Because ARL accepts asbestos wastes, it is regulated under National Emissions Standards for Hazardous Air Pollutants which requires inspection and documentation of every load of regulated material received. Both ARL and CTS have Storm Water Pollution Prevention Plans approved by ADEC which have regular inspection, monitoring, sampling, and reporting requirements.

Financial Services
The Financial Service Division has three work groups: Finance and Accounting, Customer Service Administration and Call Center, and the Scale House / Cash Booth. All work groups, totaling 23 employees, are managed by the SWS Chief Financial Officer.

Finance and Accounting
The Finance and Accounting section, consisting of five employees: The CFO overseas the entire division, with the assistance of the Accounting Supervisor, and manages the financial matters of SWS, including the accounting for revenues and expenses, the preparation of budgets, asset management, capital expenditures, customer account collection services, as well as providing financial reports. The Account Clerk IV is responsible for purchasing and accounts payable providing for the procurement of and the payment for all equipment, supplies, and contracts, in coordination with other MOA departments. Invoices are received, checked, account coded, approved, and entered into SAP for payment. Purchase orders are initiated at SWS: verifying proper account codes and funding, attaching all supporting documentation, obtaining proper department approval through the SAP workflow; many of the purchase orders also go through the MOA Purchasing Department's SAP workflow for final approval. The Accountant is responsible for over 100 SWS timecards which are processed each week in the SAP timekeeping and payroll system to ensure proper pay and cost of service coding. The Accountant is also responsible for the accounts receivable for all of Refuse and Disposal customers. The SWS Collector position manages in house collection efforts for accounts that are 31-90 days past due. Once accounts reach 90 days past due, they are transferred to the MOA collection company for further collective action. Additionally the finance staff will provide other support duties that include: ordering office supplies; processing travel authorizations, expense reports, incoming and outgoing mail; maintaining files; oversite of recycling and organics programs; and, providing administrative support to supervisors and to the SWRAC.

Customer Service Administration and Call Center
This work group is based out of the SWS Administration Building located at 1111 East 56th Avenue. This office is staffed with one Customer Service Supervisor, one Junior Administrative Officer, one Code Enforcement Officer and three Account Representative III's. The SWS call center staff answer up to 160 calls per day and also maintain the SWS customer information system, which allows the invoicing of up to 12,350 customers monthly. These customers provide, on average, more than $2.1M in monthly payments to their accounts.

The SWS Code Enforcement officer ensures compliance within the SWS mandatory service area by actively facilitating corrective action in accordance with AMCs 14, 15, 21.07 and 26.

Scale House / Cash Booth
The 12 employees of the Scale House / Cash Booth work group operate both the scale houses and cash booths at CTS, ARL, and GTS. Operating hours and days of operation vary by location, but overall, this work group operates approximately 311 days a year, including all MOA holidays except Christmas and New Year's Day. Opening shifts begin as early as 6:00 A.M. for the staff opening CTS, closers are often on duty until approximately 6:00 P.M.

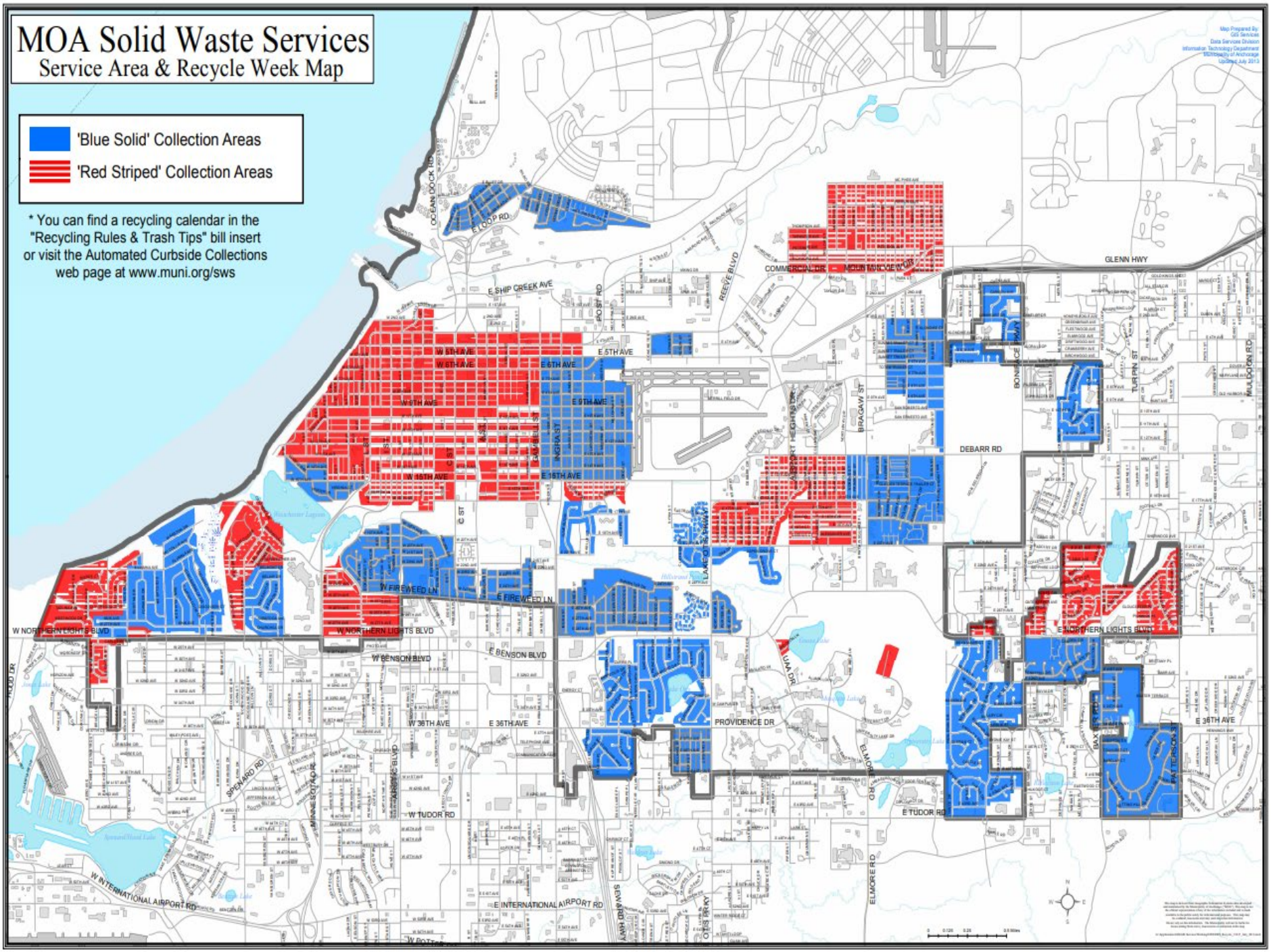
This group is the smiling face that greets both the residential and commercial disposal customers as they visit our disposal locations. These employees screen the customer's load prior to disposal, help monitor safety compliance, and kindly educate many on safe disposal practices, and encourage compliance with AMC and State Laws regarding litter prevention through assessment of fees. These team members assist over a quarter of a million customers visiting SWS facilities each year.

Administration
The Administration division provides support to all SWS employees. It is responsible for key performance indicator monitoring, IT assistance, safety, security, and vehicle parts inventory functions.

SWS has one position involved in the monitoring and reporting of key performance indicators. This employee also researches, evaluates, and implements existing and emerging technologies when deemed necessary, fiscally responsible, and/or becomes critical to operations.

The SWS Safety Manager ensures that all operations are conducted in a safe manner. The Safety Manager is responsible for compliance with Occupational Safety and Health Administration (OSHA) safety standards by ensuring that the work environment is safe, as well as identifying and mitigating potential hazards for SWS employees and the public long before the hazard becomes an accident statistic. The Safety Manager inspects buildings, projects, equipment, operating practices and working conditions for compliance with various MOA, State and Federal safety codes and regulatory requirements. The Safety Manager coordinates safety programs in training, personal protective equipment, clothing and devices, as well as organizing and conducting seminars on first aid and OSHA required safety training. The Safety Manager prepares reports and makes recommendations for improvement. By analyzing data on accident rates and compensation claims, the Safety Manager develops methods to reduce costs, loss time, and personnel suffering.

The mission statement of SWS is: Providing safe, efficient and innovative solid waste management for the Municipality of Anchorage. The vision statement of SWS is: Advancing solid waste management through continuous improvement and transparent performance.


MOA Solid Waste Services
Service Area & Recycle Week Map
'Blue Solid' Collection Areas
'Red Striped' Collection Areas
* You can find a recycling calendar in the "Recycling Rules & Trash Tips" bill insert or visit the Automated Curbside Collections web page at www.muni.org/sws
OCEAN DOCK RD
E LOOP RD
E SHIP CREEK AVE
POST RD
REEVE BLVD
COMMERCIAL DR
MOUNTAIN VIEW DR
GLENN HWY
BONIFACE PKWY
TURPIN ST
MULDOON RD
DEBARR RD
BRAGAW ST
W 5TH AVE
W 6TH AVE
E 5TH AVE
E 6TH AVE
W 9TH AVE
E 9TH AVE
W 15TH AVE
E 15TH AVE
A ST
C ST
GAMBELL ST
LAKE OTIS PKWY
W FIREWEED LN
E FIREWEED LN
W NORTHERN LIGHTS BLVD
E NORTHERN LIGHTS BLVD
W BENSON BLVD
E BENSON BLVD
ALUA DR
PROVIDENCE DR
W 36TH AVE
E 36TH AVE
ELMORE RD
SPENARD RD
MINNESOTA DR
W TUDOR RD
E TUDOR RD
W INTERNATIONAL AIRPORT RD
E INTERNATIONAL AIRPORT RD
SEWARD HWY
OTIS PKWY

Solid Waste Services
Business Plan

Mission
Providing safe, efficient and innovative solid waste management for the Municipality of Anchorage (MOA).

Services
The Refuse Collection Utility (RCU) provides garbage and recycling collection to the former City of Anchorage service area, which is approximately 20% of the population of the MOA. Since at least 1952, there has been mandatory service for all customers of the RCU service area. The RCU provides seven types of service: commercial dumpster; commercial recycling; automated garbage roll cart service; recycling roll cart service; residential organics; residential and commercial glass collection; and, limited can and bag service.

The Solid Waste Disposal Utility (SWDU) serves the entire MOA. The services include the disposal of solid waste, the collection of household hazardous waste, and the promotion of community recycling and sustainability. Municipal solid waste is received at three transfer stations located within the MOA. Waste generated in the community of Girdwood is transported from the Girdwood Transfer Station (GTS) to the Central Transfer Station (CTS) in Anchorage. All waste from the CTS is transported to the Anchorage Regional Landfill (ARL) for final disposal.

Business Goals
- Increase overall customer satisfaction rating.
- Reduce number of missed pick-ups by Solid Waste Services (SWS).
- Reduce the average customer wait time.
- Maximize the usage of landfill gas collected for beneficial purposes.
- Decrease the per capita amount of trash disposed at ARL.
- Expand the lifespan of ARL and maximize airspace utilization.
- Fully maximize existing collection and transfer truck routes through the leveraging of technology.
- Reduce loss time accidents and workman compensation claims.
- Create opportunities for employee development via training opportunities.
- Reduce greenhouse gas emissions across the MOA.

Strategies to Achieve Goals
- Invest in our business and community through the completion of the construction project for a State-of-the-Art transfer facility.
- Continue to leverage new SWS on-board vehicle computer systems.
- Streamline and improve CTS and ARL site traffic patterns. Leverage the modernized fleet and fuel technologies.
- Utilize alternative daily cover material and improve waste compaction with on-board computing systems in heavy equipment at ARL.
- Communicate more effectively with employees about training opportunities and make them available.
- Develop a leachate evaporator system fueled by landfill gas to beneficially use the excess gas capacity.
- Promote the diversion of food waste, yard waste, metals, plastics, paper and cardboard.
- Improve recycling options for businesses and apartment buildings within the SWS service area.

- Standardize recycling outreach and labeling throughout the MOA.

Performance Measures to Track Progress in Achieving Goals

1. Disposal Costs Offset by Landfill Gas Revenue.
2. Garbage to Dirt Ratio.
3. Landfill Closure Date.

Solid Waste Services Department
Refuse Collections & Disposal Utility

Anchorage: Performance. Value. Results.

Mission
Providing safe, efficient, and innovative solid waste management for the Municipality of Anchorage.

Vision
Advancing solid waste management through continuous improvement and transparent performance.

Values
Providing value to our community through safe, innovative, and sustainable solid waste management.

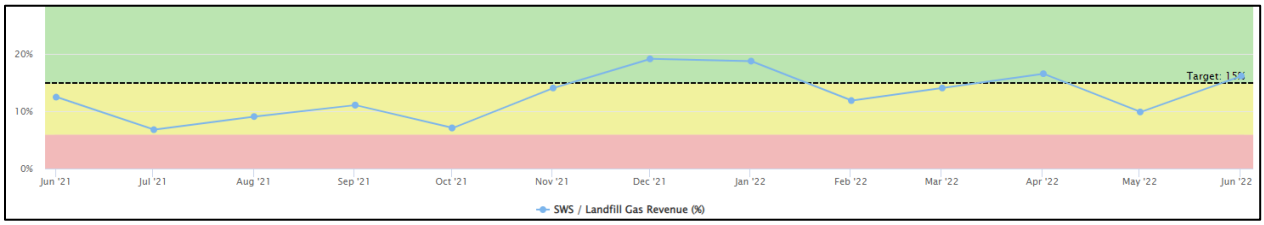
Core Services
- Provide dumpster service to commercial and multifamily residential customers.
- Provide automated garbage, curbside recycle collection, and disposal to residential customers.
- Provide transfer station and landfill disposal services for the entire community of Anchorage.
- Support and promote energy efficient and sustainable practices for all residents throughout the community.

Accomplishment Goals
- Subsidize Disposal Utility operations with revenue collected from landfill gas sales to keep rates lower for longer periods of time.
- Extend the life of the Anchorage Regional Landfill by increasing the ratio of inbound garbage to dirt placed as daily cover. The less dirt used to cover garbage for means more space available at the landfill.
- Extend the useful life of the Anchorage Regional Landfill as far in the future as possible by improving recycling and operational performance on a continuous basis. The longer the landfill stays open the cheaper the cost to dispose of material in Anchorage is.

Performance Measures
Progress in achieving these goals will be measured by:
- Disposal Costs Offset by Landfill Gas Revenue
- Garbage to Dirt Ratio
- Landfill Closure Date

The following pages provide actual data which quantify these measures.

Measure #1: Disposal Costs Offset by Landfill Gas Revenue

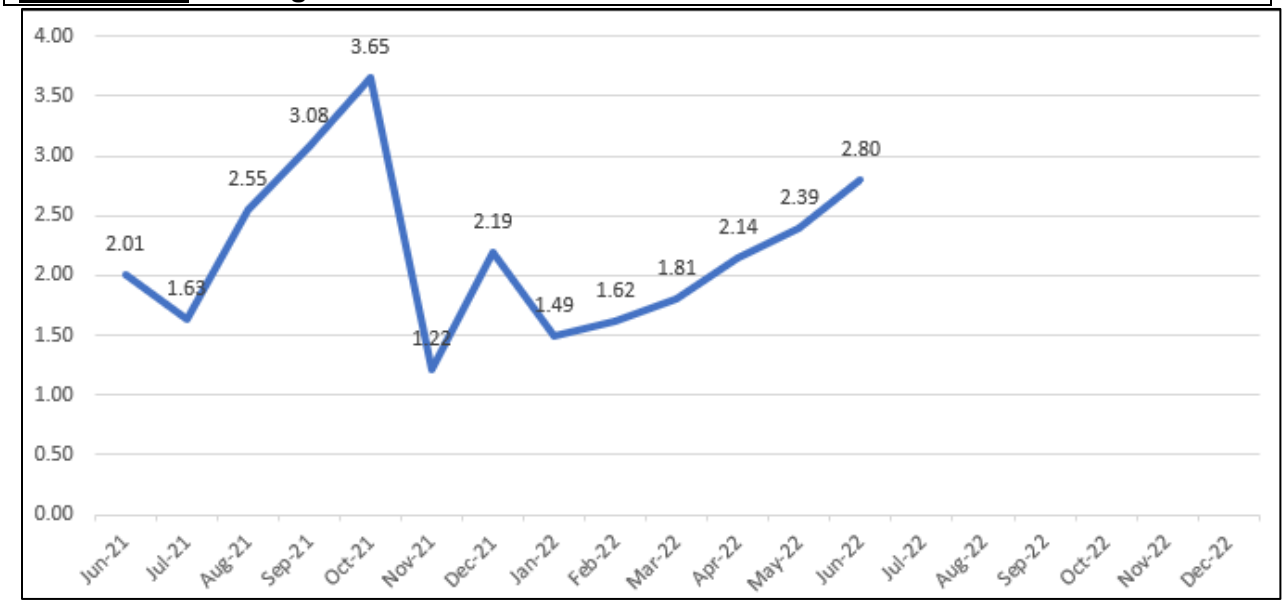


Quarter 2 – Disposal Costs Offset: 13%

Calculated by dividing landfill gas revenue by total disposal costs.
SWS has set a target goal of >15%. The data for this measure is provided on a quarterly basis.

Description: SWS syphons methane gas from collected waste in the landfill. A portion of the gas is sold to provide electricity to the Army side of Joint Base Elmendorf-Richardson. The revenue from selling landfill gas is used to subsidize disposal costs, therefore lowering customer rates.

Measure #2: Garbage to Dirt Ratio



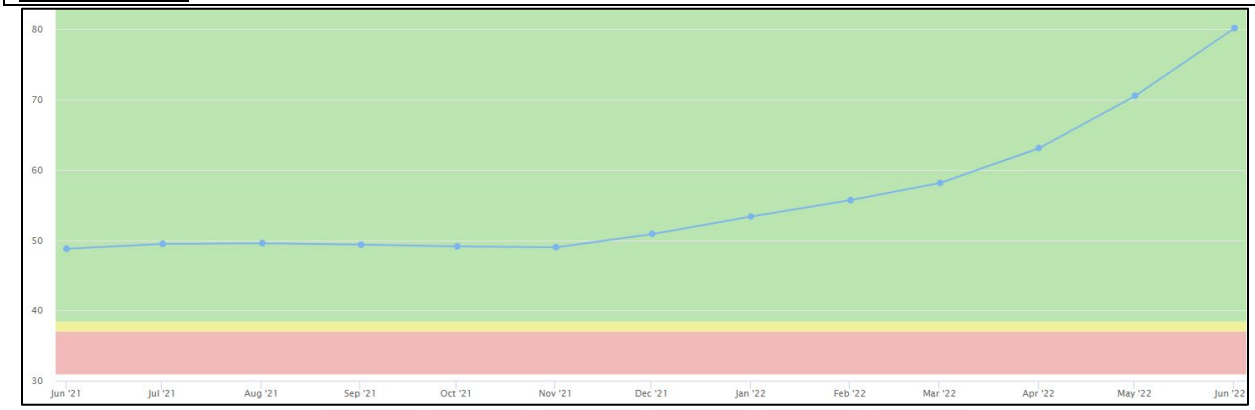
Quarter 2 Average – 2.44

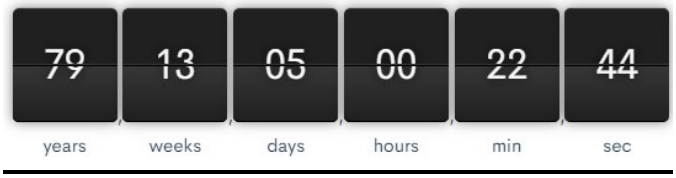
Apr: 2.14
May: 2.39
Jun: 2.80

Calculated by dividing total tons of waste received at the landfill by the total tons of dirt (cover) used, which includes alternative cover.
SWS has set a target goal of a >1.4 ratio.

Description: SWS covers received waste every day. We use different forms of cover like dirt, gravel, wood chips, tarps, and even snow. This data is important because SWS has a goal to "extend the life of Anchorage Regional Landfill." The less amount of cover used to cover the waste, the more space is left in the landfill and the longer it will remain open.

Measure #3: Landfill Closure Date





Quarter 2 Estimated Year of Closure: 2,101

SWS calculates a 12-month average of waste generation and cover material used by the landfill to predict the day the landfill will reach full capacity. As public behavior changes, the life of the landfill will be affected by the community lowering the amount of waste generation, thus allowing SWS to use less cover material. Decomposition and compaction are considered in the equation, as well as population growth. SWS collects this data from the most current landfill study.

SWS does not have a target set because this information is continually changing, however, SWS has a goal to "extend the life of Anchorage Regional Landfill."

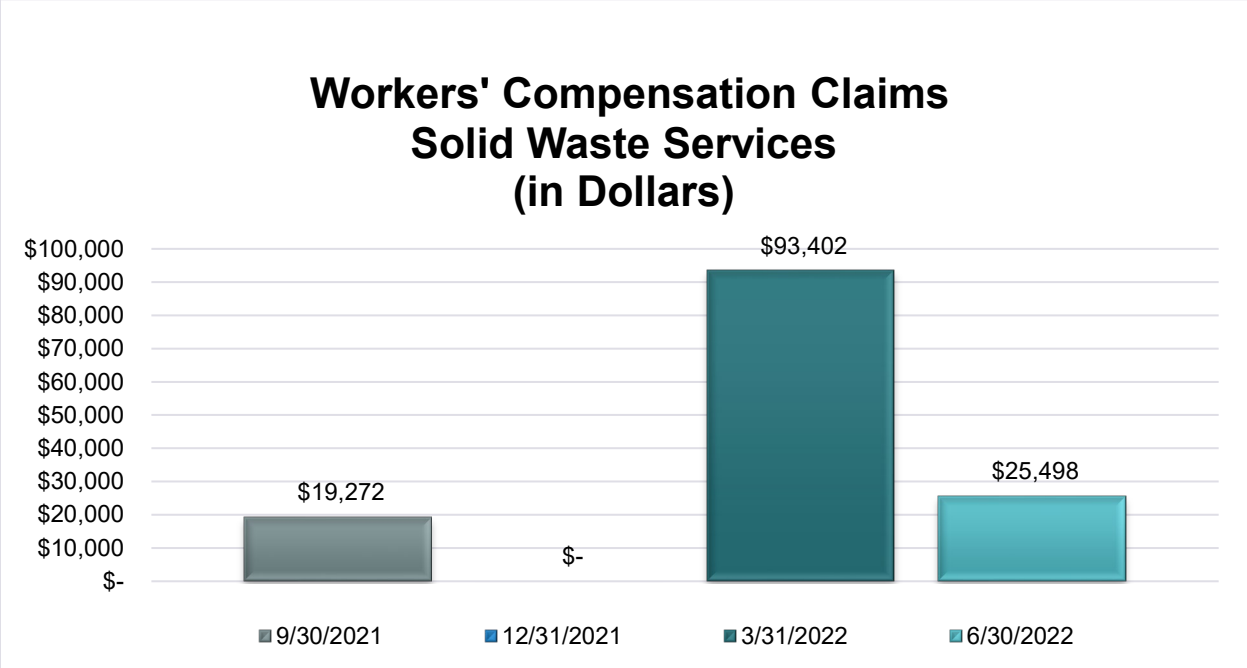
Description: SWS continuously thinks about ways to provide the Municipality of Anchorage safe, efficient, and innovative solid waste management for the foreseeable future (i.e. building a new Central Transfer Station – *https://newswscentraltransferstation.com/*). Through fine-tuning public behavior through recycling efforts, SWS can successfully serve the MOA for many years beyond this estimated date.

Landfills are not forever, there is no time to waste.

PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



About Solid Waste Services

The Department of Solid Waste Services (SWS) is composed of two utilities, the Refuse Collections Utility (RCU) and the Solid Waste Disposal Utility (SWSDU). The RCU provides refuse collection service to residential and commercial customers in the old "City of Anchorage" Service Area (approximately 20% of the community) and the SWSDU operates two transfer stations and the Anchorage Regional Landfill (ARL) providing affordable and environmentally responsible municipal solid waste disposal services for the entire Municipality of Anchorage (MOA). SWS is divided into three organizations: RCU, SWSDU, and Administration (which is a support organization that fully charges out expenses to both RCU and SWSDU).

Refuse Collections Utility

History
The RCU was originally a function of the former City of Anchorage Public Works Department. When the City and Borough merged in 1975, the RCU became an enterprise activity of the MOA.

Services
The RCU provides refuse collection to the service area of the former City of Anchorage, which is approximately 20% of the population of the MOA. Since 1952, there has been mandatory service for all residents of the RCU service area. The RCU has five types of services: commercial dumpsters; automated roll cart service; can and bag service; curbside recycling; and, curbside organics collection. The RCU services over 5,000 dumpsters per week with seven daily dumpster routes, and four Saturday routes to serve its commercial and multi-family residential customers.

As a result of an automated trash and recycling collection service that began in the fall of 2009, most SWS residential customers are serviced using automated vehicles and roll carts. In 2017, the final phase of automated collection rollout was completed and the RCU is servicing eight automated garbage collection routes. Approximately 100 customers remain on can/bag service.

Regulation
The fees charged by RCU are overseen by the Anchorage Municipal Assembly. RCU is granted the exclusive right to collect solid waste within its defined service area by a Certificate of Public Convenience and Necessity which is issued by the Regulatory Commission of Alaska.

Environmental Mandates
Although there is no specific state or federal regulations governing refuse collection, RCU must comply with a number of mandated regulations. These regulations include but are not limited to: the Federal Clean Air Act; the Clean Water Act; and, the Occupational Safety and Health Administration. These regulations have and will continue to impact the economics and operations of RCU.

Physical Plant
The RCU's truck fleet assets include:

- 11 commercial refuse collection vehicles;
- 10 residential refuse and recycling vehicles (automated and can/bag); 10 automated / 2 Tomcats
- Two rear load vehicles for MOA paper collection and recycling; and,

- 9 support vehicles (General Foreman Vehicle, Refuse Collections Leadman Vehicle, Expeditor Vehicle, Mechanics' Trucks, and, one fully electric Box Van,).

Currently, there is an average of 25,000 roll-carts and 2,032 dumpsters in service. The RCU maintains a 27,000 square foot building that contains vehicle maintenance, warm storage space, and administrative offices and it is located at the Central Transfer Station (CTS).

Future Planning Efforts
The RCU is currently in the process of evaluating and rolling out additional collection services such as curbside residential organics collection and commercial/residential glass collection. The RCU also secured grant funding to assist in purchase and deployment of an all-electric medium duty vehicle and two all-electric class 8 collection vehicles by 2022. The RCU is also assisting with the planning, design and construction of the new CTS as there will be numerous components of the facility that will support their functions.

Solid Waste Disposal Utility

History
Municipal solid waste disposal was originally a function of the City Public Works Department, which operated the city landfill at Merrill Field. Under unification, the MOA acquired responsibility for five waste disposal sites from Peters Creek to Girdwood. The SWSDU was formed to operate and maintain these sites, while managing solid waste disposal matters throughout the MOA. The five sites were ultimately closed, and waste disposal was consolidated at the Anchorage Regional Landfill (ARL). ARL is an award winning, state-of-the-art, fully engineered landfill. The facility was opened in 1987 and is the only operating municipal solid waste landfill within the MOA.

Services
The SWSDU serves the entire MOA. The services include the disposal of solid waste and collection of household hazardous waste. Municipal solid waste is received at two transfer stations located within MOA. The waste is then transported by the SWSDU to ARL for final disposal.

The ARL has a total land area of approximately 275-acres and is being developed in phases called cells. Currently, cells 1 through 7, 8a, 8b, 9a, and 10 - 12 have been constructed. Cells 9b / 8c care currently being designed with construction anticipated in 2024/2025. ARL is projected to have a total capacity in excess of 47.5 million cubic yards and should reach its capacity in 2069, dependent upon population growth, waste compaction, diversion of more recyclables and construction activities. In 2020, approximately 301,000 tons were deposited in ARL, which represents just under fourteen thousand tons less than in 2019. The reduction in tonnage is largely attributable to reduction in Anchorage tourism, construction, and other business activities due to the COVID-19 pandemic. SWSDU currently expects an average of approximately 300,000+ tons in 2021 as well as future years.

The transfer stations located at Girdwood and midtown Anchorage (CTS) allow the SWSDU to reduce traffic flow to the landfill and restrict access to the working face. CTS also helps keep MOA garbage collection rates low by minimizing the distance that private haulers have to drive to dispose of collected waste. This also helps to reduce greenhouse gas emissions. CTS receives the largest amount of solid waste, having received nearly 207,000 tons in 2020 from almost 190,000 customers. This facility has an operating capacity of 1,600 tons per day. The

SWSDU operates a fleet of 29 transfer tractor and trailers that transport the solid waste from Girdwood and CTS to ultimate disposal at ARL, each with a capacity of 120 cubic yards.

The SWSDU is responsible for post closure care and monitoring of former landfill sites at Merrill Field, Peters Creek (Loretta French Park), and International Airport Road (Javier de la Vega Park). At each of these sites, SWS must perform annual or biennial groundwater and landfill gas (LFG) migration monitoring. There is no end date at this time for when monitoring will be discontinued at these sites. The SWSDU operates an active landfill gas (LFG) collection system at Merrill Field to mitigate migration of LFG to commercial buildings constructed along Merrill Field Drive. The SWSDU also operates and maintains a leachate collection system along 15th Avenue to mitigate potential migration of groundwater contaminants to the Chester Creek system. Since no closure funds were ever designated for these sites, all post closure care activities must be funded out of the SWSDU's annual operating budget by current ratepayers.

The SWSDU operates a 6,000 square foot hazardous waste collection facility built in 1989 at ARL. Through 2020, the facility has collected nearly 24 million pounds of hazardous waste that otherwise may have been improperly disposed of at ARL, the storm drain system, or citizens' backyards.

Household hazardous waste can be dropped off at CTS (on Tuesday, Thursday, and Saturday) or the Hazardous Waste Facility located at ARL (Tuesday through Saturday). The hazardous waste is then handled by a contractor that sorts and processes the waste into proper containers. Hazardous products are shipped out of state to federally approved hazardous waste disposal sites. Other materials are rendered inert and landfilled, processed locally, or recycled. Anchorage residents bring household items such as paints, cleaners, and solvents to Reuse Centers at CTS or at ARL. The items are then stocked for other Anchorage residents to take home for reuse on household projects. SWS will also be using waste oil collected from collection and transfer vehicles to use as fuel in heaters that will provide heat for warm storage at the new ARL facility.

Regulation

The SWSDU is not economically regulated by any non-municipal agencies but is overseen by the Anchorage Municipal Assembly. SWSDU operates under numerous permits and many Environmental Protection Agency (EPA) regulations. ARL is operated under a Solid Waste operating permit issued by the Alaska Department of Environmental Conservation (ADEC). This permit must be renewed every five years. ARL construction and certain operations must comply with the EPA Resource Conservation and Recovery Act (RCRA) subtitle D. The facility is also regulated under a Title V air emissions operating permit issued by ADEC. The SWSDU operates under two permits from Anchorage Water & Wastewater Utility for industrial water discharge, one for disposal of leachate from ARL and one for discharge of leachate contaminated groundwater at Merrill Field Airport. ARL has permits from the U.S. Department of Fish and Wildlife and the Alaska Department of Fish and Game for bird management.

Environmental Mandates

SWSDU must operate under, and comply with, numerous environmental mandates. These mandates have a significant economic impact on the cost of operations and construction for the Utility. The main environmental mandates that have a significant impact on the SWSDU are RCRA subtitle D, the Clean Air Act, New Source Performance Standards (NSPS), the Clean Water Act, SARA Title 3 (Super Fund), NESAP (asbestos), and NPDES (storm water discharge). In 2010, EPA added greenhouse gas monitoring and reporting requirements that

affect both active and closed landfill sites. It is projected that the environmental mandates regarding operating and constructing a landfill will become even more stringent in the future.

Physical Plant
The SWSDU's assets include:

Anchorage Regional Landfill (ARL)

- 275 acres, estimated to last through the year 2060.
- 47.5 million cubic yard capacity.
- Phased construction of cells lasting four to five years each.
- Ten of the 11 landfill cells are fully or partially constructed.
- Located on municipal land.
- Scale house
- 22,000 square-foot shop with an adjoining storage facility, that was severely damaged in the 2018 Earthquake and reconstruction is currently underway.
- Heavy equipment fleet: dozers, loaders, dump trucks, water truck, leachate trucks, tankers, lube trucks, grader, excavator and solid waste compactor.
- Two leachate storage and treatment lagoons with a 2.9-million-gallon capacity.
- Gas collection facility with 700 square foot blower and flare station with a 2,000 cubic feet per minute capacity enclosed flare.
- Gas processing facility processes gas to fuel quality and transports it by pipeline to Doyon Utility's power generation system to produce electricity on adjacent military lands. MOA is currently in a 20-year agreement with Doyon, in which Doyon will generate electricity from methane gas to sell to military customers on Joint Base Elmendorf-Richardson (JBER).

Three transfer stations provide intermediate disposal, easy access for public solid waste disposal

- Cash booths at Girdwood, CTS, and the ARL public site.
- Two scale houses, one each at CTS and ARL.
- 29 transfer tractor and trailers haul from stations to landfill.

Hazardous waste management

- 6,000 square foot collection facility for household hazardous waste.

Merrill Field Airport

- LFG collection system and leachate/groundwater collection system.

Future Planning Efforts
Future projects include:

- Design of cells 9b and 8c will commence in 2022 with an estimated cost of approximately $10.3 million.
- Slope closure and storm water run-off development is on-going.
- Construction of improved leachate management system to mitigate growing expense of hauling leachate.
- First strategic plan and Masterplan have been completed and are continuously being updated based upon new goals and strategies as developed by SWS staff.
- CTS Upgrade and Expansion to a new site is under construction, which commenced in 2020 and it is anticipated to be substantially completed by 2023. This includes issuing an

RFP to interested proposers to operate the existing transfer station site as a new recycling center.

- Construction of replacement for the shop/administration/vehicle maintenance building, and replacement of gas wells and piping are on-going as part of the 2018 earthquake recovery project.

Please see our website for hours of operation and contact information.
http://www.muni.org/Departments/SWS

Solid Waste Services
Highlights and Future Events

Disposal Utility
The Department of Solid Waste Services (SWS) Disposal Utility's (SWSDU) Central Transfer Station (CTS) is nearing the end of its useful life. The facility is aged, poses health and safety risks, and is not properly sized or designed for the vehicle size and volume that it serves today as well as the recycling initiatives that are being implemented by SWS. SWS is well underway to completing the construction of a new transfer station facility that is estimated to open in early 2023. The new facility will provide increased capacity for peak flows of commercial and residential customers as well as provide much needed on-site traffic circulation improvements. The new transfer station will enhance the SWSDU's ability to serve the community, while accommodating needs for increased recycling and waste reduction efforts to extend the life of the Anchorage Regional Landfill (ARL).

Anchorage sustained a 7.2 magnitude earthquake on November 30, 2018, and ARL suffered irreparable damage to the main Shop/Admin building. Additional damage that was sustained at the landfill includes: various gas collection piping and gas wells; non-structural damage to the concrete floor of the Household Hazardous Waste building; and, multiple smaller damages to roadways and slopes within the landfill. Temporary facilities and gas system repairs have been constructed to maintain operation and SWS worked with the Federal Emergency Management Agency (FEMA) and the State of Alaska to secure funding for reconstructing the permanent ARL Shop/Admin building. Additionally, various building and roadway repairs are ongoing. Construction for this project is underway and construction is anticipated to be completed by July 2022.

The ARL has a total land area of approximately 275-acres and is being developed in phases called cells. Currently, cells 1 through 7, 8a, 8b, 9a, and 10 - 12 have been constructed. Cell 9b and 8c are in design and construction is expected to commence in 2024.

In 2020 the SWSDU trucked approximately 40 million gallons of treated leachate generated at the landfill to the Anchorage Water & Wastewater Utility (AWWU) Turpin dump station. SWSDU started design for retrofitting the leachate lagoons with a more modernized aeration system that will be more efficient and provide better treatment to the leachate in 2019, and the project is on-going.

Leachate has been hauled via tanker truck since ARL was first opened in 1987. The truck haul system is considered inefficient and potentially unsafe to the public due to the additional truck traffic on the Glenn Highway. SWSDU is currently evaluating alternatives to trucking leachate including the installation of a deep injection well and multiple leachate evaporators onsite as well as closing out and capping certain areas of ARL.

SWSDU continues to aggressively expand recycling programs in Anchorage. Organics and glass collection is a priority for the department. Demand for the programs are high and the SWSDU is looking to expand capacity by developing back-end infrastructure and increasing community outreach for participation in food scrap and glass drop-offs.

SWSDU also plans to continue supporting recycling initiatives across the municipality, which has seen decreased processing costs as a result of shifting global commodities markets and the

COVID-19 pandemic. SWS will continue to invest in recycling, as well as communication and outreach, which is vital to the success of the programs.

Another priority for SWS is sustainability and energy efficiency. SWS spearheads the MOA's sustainability efforts. A recommendation from the SWS Integrated Solid Waste Master Plan, Strategic Plan and Climate Action Plan is to investigate further waste to energy alternatives. SWS has invested funds and significant staff time in determining which waste to energy technology is most applicable to the community with the ultimate goal of extending the life of ARL. This work is on-going with a large amount of effort being put towards obtaining the funding for a facility such as this in Anchorage.

The SWSDU receives most of its revenue from tipping fees charged to customers. The SWSDU also collects revenue from sales of gas collected from the landfill. Revenue from gas sales is budgeted based upon an analysis of current electric utility rates and an estimation of the amount of gas that will be sold in the future period. Budgeted customer revenue is based upon an average of tonnage received in the prior two years. Operational expenses are established through a process of review with managers and staff where tonnage estimates, contractual requirements, equipment usage and labor needs are reviewed and expected future costs are established.

Disposal Utility		
	Proposed Rate	Approved Rate
Year	Increase	Increase
2013	0%	0%
2014	0%	0%
2015	0%	0%
2016	0%	0%
2017	0%	0%
2018	0%	0%
2019	6.25%	6.25%
2020	6.25%	6.25%
2021	6.25%	6.25%
2022	6.25%	6.25%
2023	6.25%	

Refuse Collection

The SWS Refuse Collection Utility (RCU) owns and operates a fleet of refuse collection vehicles, which are housed in a shop/storage building along with administrative offices on land owned by SWSDU. The recent land purchase by SWS includes land to construct new facilities to replace the aging structures owned by RCU.

New software has recently been installed in RCU vehicles allowing drivers to communicate directly with the billing system for improved tracking of refuse collection activities, missed stops, and other metrics.

SWS worked in 2019 to restart a commercial glass recycling program in the downtown district. The department worked with local recyclers to expand uses for the recycled glass in construction projects. Demand is at the point where local recyclers can accept even more glass for recycling. SWS continues collecting glass recycling downtown with the goal of increasing participation. SWS will also be researching expansion of residential curbside glass collection program in the Fall of 2023 to approximately 200 customers.

The RCU receives most of its revenue from monthly fees for trash collection from customers. Budgeted revenue is based upon a twelve-month historical average for each service type. Operational expenses are established through a process of review with managers and staff where customer numbers, collection route requirements, contractual requirements, equipment usage and labor needs are reviewed and expected future costs are established.

Collection Utility		
	Proposed Rate	Approved Rate
Year	Increase	Increase
2013	0%	0%
2014	0%	0%
2015	0%	0%
2016	0%	0%
2017	0%	0%
2018	0%	0%
2019	5.00%	5.00%
2020	5.00%	5.00%
2021	5.00%	5.00%
2022	5.00%	5.00%
2023	5.00%	

Solid Waste Services
External Impacts

Economic changes will impact SWS as all the rest of the Municipal Utilities. In particular, the price of fuel alone will impact our ability to keep the trucks on the road. However, there are more factors that are impacting us even more than fuel, we have not received many of the new vehicles that were ordered a year ago, this is impacting our rotating schedule for our larger purchases, which has a continual affect until we can get our purchasing steam back in line. The Trucks we have received have had an added surcharge for fuel and shipping. The price of parts has also increased due to fuel increases associated with shipping expense.

Disposal
SWS is currently completing the construction of: a new Central Transfer Station; ARL administration, warm storage and maintenance building; leachate collection and processing improvement project; and, the final remaining landfill cells. SWS anticipates issuing long-term debt to finance the projects beginning in early 2022. Interest rate changes and availability of long-term funding may impact the actual costs of these projects.

Disposal customers are subjected to long wait times and safety issues each time they come to the CTS to dispose of their loads. SWS is in the process of designing and constructing a new CTS. The new facility will also allow SWS to control the destiny of the Disposal and Refuse Collection Utilities through additional space to explore new technologies, and the ability to re-purpose the existing space to meet other growing needs within the Municipality such as large scale diversion of materials from ARL. This will take years of public education and training to implement.

The Landfill Gas (LFG) to Energy project came into commercial operation in 2013. Revenue to the Solid Waste Disposal Utility (SWSDU) derived from the sale of landfill gas to Doyon Utilities (DU) is based upon the purchase price for natural gas as reported by Chugach Electric Association (CEA) to the Regulatory Commission of Alaska (RCA). Future revenues anticipated from this project will be based upon gas price projections by CEA and other area utilities. As a result, the actual revenue generated by the LFG project will fluctuate dependent upon market price of natural gas in Southcentral Alaska. Revenues from this help to subsidize and keep disposal rates low for residents of the Municipality of Anchorage (MOA).

Currently, SWSDU Inc. holds an air quality permit which will allow continuous operation of up to six generating units at the LFG power plant on Joint Base Elmendorf-Richardson (JBER). The power plant currently operates five generating units, producing approximately seven (7) megawatts of power. In the summer months, power usage at Fort Richardson decreases below this capacity in off-peak hours. Because of the lower demand, one generating unit is shut down on evenings and weekends, resulting in decreased landfill gas consumption seasonally. Currently, there is no energy integration between the Fort Richardson and Elmendorf sides of JBER. This limits the amount of revenue that can be generated by the project. A project is currently in the final phases of design to interconnect the Fort Richardson and Elmendorf electrical grids. JBER has no plans to expand the power plants generating potential.

The current tonnage received at the landfill is dependent upon all refuse providers servicing the MOA. SWS is in the process of implementing a Recycling Education Program as well as recycling incentives. As a result, there is an expected decrease in the amount of refuse received by ARL in the years to come as this is a lengthy process. SWS' operations are directly

impacted by population growth or decreases, tourism, and construction activities. Changes in these external factors directly affect the revenues generated by SWSDU.

Since 1994, SWS has stored gravel generated from cell development activities on leased land from Fort Richardson. SWS currently has over 4 million-cubic yards of material stored at this location which will all be used in the normal operation of the landfill.

Leachate from the ARL is disposed of thru Anchorage Water & Wastewater Utility's (AWWU) wastewater collection system. SWS hauls the leachate from ARL to AWWU's Turpin Street septic hauler station. SWS typically hauls over 30 million gallons annually to this facility and this value will only increase as ARL expands. The cost for this activity is driven by labor, fuel and vehicle operations and maintenance (O&M) costs as well as AWWU disposal rates, all of which are continuously rising. SWS is in the process of initiating design activities for a leachate disposal system that will eliminate the need to haul leachate in order to control costs and increase efficiencies.

ARL was constructed in 1987 and the Central Transfer Station (CTS) was converted from a garbage shredding facility constructed in the 1970's to a transfer facility. Consequently, many mechanical, electrical and structural components of these facilities are rapidly approaching or have exceeded their useful lives. Many of these systems are either life safety issues or critical to the continued operation of the facilities. SWS has and will continue to incur significant capital and maintenance costs as these facilities and components are upgraded or replaced. Disposal customers are subjected to long wait times and safety issues each time they come to the CTS to dispose of their loads. Therefore, SWS is in the process of constructing a new CTS, located adjacent to the existing facility. The new facility will also allow SWS to control the destiny of the Disposal and Refuse Collection Utilities through additional space to explore new technologies, and the ability to re-purpose the existing space to meet other growing needs within the Municipality.

Refuse
SWS' operations are directly impacted by population growth or decreases, tourism, and construction activities. Changes in these external factors directly affect the revenues generated by the Refuse Collection Utility, as well.

Solid Waste Services Utilities
Capital Overview

Capital Project Selection Process
Solid Waste Services (SWS) continuously evaluates the Disposal Utility (DU) and the Refuse Collection Utility (RCU) assets to identify the need for capital projects. As assets age and deteriorate over time they either affect customer service levels, inadequately meet the needs of the community, have disproportionately high operations and maintenance cost, or increase risk liability. Capital project expenditures address one or more of these issues. Capital projects generally originate from facility plans, asset management plans, master plans, or day to day operations. SWS has the following types of capital projects:

- Central, Girdwood, and Anchorage Regional Landfill (ARL) Transfer Stations
- Anchorage Regional Landfill
- Gas Collection System
- Leachate Treatment System
- Other Facilities Utilized for Administrative Purposes
- Miscellaneous Equipment (Owned by either the Disposal or Refuse Collection Utility)
- Master Plan
- Information Technology Hardware and Software
- Vehicles

The process of choosing funded projects in the Capital Improvement Program (CIP) begins with an identification by Solid Waste Services operating and engineering staff of facilities or infrastructure requiring improvement or replacement. Heavy equipment and vehicles are also assessed. Once potential projects have been identified, projects that improve health and safety, customer experience, cost containment and operating efficiency are prioritized.

Significant Projects
SWS does not project any significant projects for 2023, other than some improvements to the gas collection system at ARL.

SWS currently has the following significant projects in process, for which projected funding needs have already been appropriated:

- Construction of a new Central Transfer Station to serve both DU and RCU,
- Construction of ARL cell 9A, 8B, and 8C, and
- Leachate collection and treatment improvement at ARL

Impacts on Future Operating Budgets
SWS has developed a long-range financial plan with an eye towards providing a high level of service to customers while maintaining reasonable rates. Rates fund both capital spend and annual operating expenses. One of the intents, among many, of the Capital Program is to decrease long term operating expenses and maximize the life of the landfill. The balance between current capital spend and future operating budgets is a function of SWS's long-range financial plan that identifies the available capital funding in consideration of anticipated operational costs.

Solid Waste Services - Disposal
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	26,907	27,072	30,565	32,552	34,179	35,888	36,606	37,338
Expenses and Transfers [1]	25,569	28,081	29,376	30,257	32,073	33,035	34,026	35,047
Net Income (Loss)	**1,338**	**(1,009)**	**1,189**	**2,294**	**2,107**	**2,853**	**2,580**	**2,291**
Charges by/to Other Departments	3,408	3,796	4,246	4,009	4,114	4,221	4,330	4,443
Municipal Enterprise/Utility Service Assessme	1,211	1,158	1,047	1,341	2,599	2,498	2,574	2,491
Dividend to General Government	750	750	750	-	-	-	-	-
Transfers to General Government [2]	**5,369**	**5,704**	**6,043**	**5,350**	**6,713**	**6,719**	**6,904**	**6,934**
Operating Cash	2,424	4,779	4,736	5,045	5,736	5,841	5,992	4,999
Construction Cash Pool	31,133	26,316	23,996	14,783	11,326	8,772	5,995	5,968
Restricted Cash	6,934	18,152	19,665	21,297	23,056	24,953	26,997	30,000
Total Cash	**40,491**	**49,247**	**48,397**	**41,125**	**40,118**	**39,566**	**38,984**	**40,967**
Net Position/Equity 12/31	78,371	127,485	137,683	123,798	121,286	118,158	105,505	94,505
Capital Assets Beginning Balance	74,596	91,862	98,436	104,856	103,369	177,545	169,093	171,286
Asset Additions Placed in Service	12,571	12,914	13,450	6,145	82,040	3,434	14,131	4,995
Assets Retired	(732)	(1,290)	(1,406)	(1,526)	(1,573)	(2,377)	(2,387)	(2,505)
Change Depreciation (Increase)/Decrease	(3,913)	(5,050)	(5,624)	(6,106)	(6,291)	(9,509)	(9,551)	(10,021)
Net Capital Assets (12/31)	91,862	98,436	104,856	103,369	177,545	169,093	171,286	163,755
Equity Funding Available for Capital	5,251	4,041	6,813	8,400	8,398	12,362	12,131	12,312
Debt								
New Debt - Bonds	-	80,173	-	-	-	-	-	-
New Debt - Loans or Other	21,758	(44,081)	14,950	25,825	6,000	10,000	10,000	10,000
Total Outstanding Debt	51,800	86,853	101,803	127,075	132,501	131,906	131,289	130,648
Total Annual Debt Service Payment	1,405	2,392	6,388	6,869	7,238	7,282	6,972	6,688
Debt Service Requirement	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**
Debt Service Coverage (Bond)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
Debt Service Coverage (Loan)	3.30	2.75	0.50	1.28	1.07	1.17	1.33	1.61
Debt Service Coverage (Total)	3.30	2.75	1.50	1.28	1.07	1.17	1.33	1.61
Debt/Equity Ratio	67/33	75/25	70/30	70/30	70/30	65/35	65/35	63/37
Future Landfill Closure Liability	37,733	40,340	42,903	45,610	48,470	51,491	54,681	58,049
Rate Percentage Change (CTS /ARL)								
Tipping Fee Rate per Ton (ARL / CTS)	$64/$74	$68/$79	$72/$84	$77/$87	$82/$92	$87/$97	$92/$102	$98/$108
Pickup Rate per Load	$16	$16	$16	$17	$18	$19	$20	$21
Car Rate per Load	$6	$6	$6	$7	$7	$8	$8	$9
Approved Annual Rate increase	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Statistical/Performance Trends								
Tons Disposed	301,061	301,061	301,061	301,061	301,061	301,061	301,061	301,061
Vehicle Count	300,833	300,833	300,833	300,833	300,833	300,833	300,833	300,833

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

Certain actual financial figures above will not match the Annual Comprehensive Financial Report; the ACFR combines Disposal with Administrative and Vehicle Maintenance Sections.

Solid Waste Services - Disposal
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Landfill Disposal Fees	21,341,792	22,921,573	-	22,921,573	-	22,921,573	0.00%
Hazardous Waste Fees	617,825	493,504	-	493,504	-	493,504	0.00%
Commercial Collections	-	-	-	-	1,490,617	1,490,617	0.00%
Community Recycling Residential	402,701	397,113	-	397,113	-	397,113	0.00%
Community Recycling Commercial	520,078	513,782	-	513,782	-	513,782	0.00%
Landfill Methane Gas Sales	2,587,675	2,500,000	-	2,500,000	-	2,500,000	0.00%
Reimbursed Costs	243,186	243,360	-	243,360	-	243,360	0.00%
Unsecured Loads	18,955	20,985	-	20,985	-	20,985	0.00%
Miscellaneous	94,678	66,475	-	66,475	-	66,475	0.00%
Total Operating Revenue	**25,826,889**	**27,156,792**	**-**	**27,156,792**	**1,490,617**	**28,647,409**	**5.49%**
Non Operating Revenue							
Investment Income	716,433	(185,000)	850,000	665,000	1,153,000	1,818,000	173.38%
Other Income	364,065	100,000	-	100,000	-	100,000	0.00%
Total Non Operating Revenue	**1,080,497**	**(85,000)**	**850,000**	**765,000**	**1,153,000**	**1,918,000**	**150.72%**
Total Revenue	**26,907,386**	**27,071,792**	**850,000**	**27,921,792**	**2,643,617**	**30,565,409**	**9.47%**
Operating Expense							
Salaries and Benefits	6,196,072	6,657,256	-	6,657,256	293,356	6,950,612	4.41%
Overtime	636,511	396,280	-	396,280	-	396,280	0.00%
Total Labor	6,832,583	7,053,536	-	7,053,536	293,356	7,346,892	4.16%
Supplies	1,296,075	1,620,600	-	1,620,600	278,000	1,898,600	17.15%
Travel	4,990	14,000	-	14,000	-	14,000	0.00%
Contractual/Other Services	5,441,341	5,571,056	-	5,571,056	386,099	5,957,155	6.93%
Equipment/Furnishings	1,094	-	-	-	-	-	0.00%
Future Landfill Closure Costs	1,532,265	1,510,686	-	1,510,686	-	1,510,686	0.00%
Dividend to General Government	750,000	750,000	-	750,000	-	750,000	0.00%
Manageable Direct Cost Total	9,025,764	9,466,342	-	9,466,342	664,099	10,130,441	7.02%
Municipal Enterprise/Utility Service Assessment	1,210,529	1,158,480	-	1,158,480	(111,873)	1,046,607	-9.66%
Depreciation/Amortization	4,579,325	5,550,000	-	5,550,000	-	5,550,000	0.00%
Non-Manageable Direct Cost Total	5,789,853	6,708,480	-	6,708,480	(111,873)	6,596,607	-1.67%
Charges by/to Other Departments	3,408,151	3,796,271	-	3,796,271	449,729	4,246,000	11.85%
Total Operating Expense	**25,056,352**	**27,024,629**	**-**	**27,024,629**	**1,295,311**	**28,319,940**	**4.79%**
Non Operating Expense							
Debt Issuance Costs	73,930	30,000	-	30,000	-	30,000	0.00%
Interest on Loans	438,741	1,026,084	-	1,026,084	-	1,026,084	0.00%
Total Non Operating Expense	**512,671**	**1,056,084**	**-**	**1,056,084**	**-**	**1,056,084**	**0.00%**
Total Expense	**25,569,023**	**28,080,713**	**-**	**28,080,713**	**1,295,311**	**29,376,024**	**4.61%**
Net Income (Loss)	**1,338,364**	**(1,008,921)**	**850,000**	**(158,921)**	**1,348,306**	**1,189,385**	**-848.41%**
Appropriation:							
Total Expense		**28,080,713**	**-**	**28,080,713**	**1,295,311**	**29,376,024**	**4.61%**
Less: Non Cash Items							
Depreciation/Amortization		5,550,000	-	5,550,000	-	5,550,000	0.00%
Future Landfill Closure Costs		1,510,686	-	1,510,686	-	1,510,686	0.00%
Total Non-Cash		7,060,686	-	7,060,686	-	7,060,686	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**21,020,027**	**-**	**21,020,027**	**1,295,311**	**22,315,338**	**6.16%**

Solid Waste Services - Disposal
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	**21,020,027**	**50**	**6**	**-**
Transfers by/to Other Departments				
- Charges by Other Departments	449,729	-	-	-
2022 One-Time Requirements				
- ONE-TIME New Central Transfer Station (CTS) moving expenses	140,000	-	-	-
Changes in Existing Programs/Funding for 2023				
- Diesel/Gasoline Increased costs	278,000	-	-	-
- Municipal Utility Service Assessment (MUSA)	(111,873)	-	-	-
- Salaries and Benefits Adjustments	63,636	-	-	-
2023 Continuation Level	**21,839,519**	**50**	**6**	**-**
2023 Proposed Budget Changes				
- New CTS 1/2 year professional services for new building	56,617	-	-	-
- New CTS 1/2 year utilities for new building	127,650	-	-	-
- New CTS 1/2 year maintenance agreements for new building	61,832	-	-	-
- New CTS Labor - requires new positions for 7 months in 2023: 1 Refuse Disposal Utilityman, 1 Refuse Disposal Journeyman, 1 Seasonal General Laborer, and 1 General Laborer	229,720	3	-	1
2023 Proposed Budget	**22,315,338**	**53**	**6**	**1**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**22,315,338**	**53**	**6**	**1**
	2023 Proposed FTE			
	58.0	**56.0**	**1.5**	**0.5**

SWS Disposal Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
Design and Construction of Gas Collection System at Anchorage Regional Landfill	-	-	-	700	700
Disposal Tanker, Truck, Tractors to Haul Trash and Leachate	-	-	-	1,370	1,370
Replacement Dozers, Loaders, Compactors and Dump Trucks to Operate the Landfill	-	-	-	1,700	1,700
Total	**-**	**-**	**-**	**3,770**	**3,770**

SWS Disposal Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Disposal						
Design and Construction of Gas Collection System at Anchorage Regional Landfill	2023	-	-	-	700	700
	2024	-	-	-	1,004	1,004
	2025	-	-	-	700	700
	2026	-	-	-	700	700
	2027	-	-	-	700	700
		-	-	-	3,804	3,804
Disposal Pickups and Light Duty Vehicles	2024	-	-	-	110	110
	2025	-	-	-	125	125
	2026	-	-	-	165	165
		-	-	-	400	400
Disposal Tanker, Truck, Tractors to Haul Trash and Leachate	2023	-	-	-	1,370	1,370
	2024	-	-	-	970	970
	2025	-	-	-	1,163	1,163
	2026	-	-	-	1,185	1,185
	2027	-	-	-	1,075	1,075
		-	-	-	5,763	5,763
Purchase Tarp Deployment System for Landfill	2024	-	-	-	20	20
	2026	-	-	-	20	20
	2028	-	-	-	20	20
		-	-	-	60	60
Replacement Dozers, Loaders, Compactors and Dump Trucks to Operate the Landfill	2023	-	-	-	1,700	1,700
	2025	-	-	-	3,200	3,200
	2027	-	-	-	2,500	2,500
		-	-	-	7,400	7,400
Replacement of Trackless Tractor, Cherry Pickers, Tire Shredder	2025	-	-	-	180	180
	2027	-	-	-	1,500	1,500
		-	-	-	1,680	1,680
	Total	**-**	**-**	**-**	**19,107**	**19,107**

Design and Construction of Gas Collection System at Anchorage Regional Landfill

Project ID	DIS2020002	**Department**	SWS Disposal
Project Type	Improvement	**Start Date**	January 2021
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	
Community Council			

Description

Construction of new and replacement gas wells and gas system expansion at landfill. Multi-year project constructing approximately $700,000 of wells in each year 2021-2027. Construction of an additional flare to increase landfill gas destruction capacity while reducing gas emissions into the environment and mitigate environmental violations.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	700	1,004	700	700	700	-	3,804
Total (in thousands)		**700**	**1,004**	**700**	**700**	**700**	**-**	**3,804**

Disposal Pickups and Light Duty Vehicles

Project ID	DIS2020014	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	
Community Council			

Description

Replace pickup trucks and sport utility vehicles (SUVs) for light duty work

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	-	110	125	165	-	-	400
Total (in thousands)		**-**	**110**	**125**	**165**	**-**	**-**	**400**

Disposal Tanker, Truck, Tractors to Haul Trash and Leachate

Project ID	DIS2020004	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	
Community Council			

Description

2023 Replace six (6) Wilkins trailers, two (2) Peterbilt tractors

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	1,370	970	1,163	1,185	1,075	-	5,763
Total (in thousands)		**1,370**	**970**	**1,163**	**1,185**	**1,075**	**-**	**5,763**

Purchase Tarp Deployment System for Landfill

Project ID	DIS2020005	**Department**	SWS Disposal
Project Type	New	**Start Date**	January 2022
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	
Community Council			

Description

A tarp system will allow operators to cover newly added and compacted trash overnight, minimizing the use of gravel cover, maximizing use of landfill space, and extending the life of the landfill.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	-	20	-	20	-	20	60
Total (in thousands)		**-**	**20**	**-**	**20**	**-**	**20**	**60**

Replacement Dozers, Loaders, Compactors and Dump Trucks to Operate the Landfill

Project ID	DIS2020003	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	
Community Council			

Description

2023 replace one (1) wheel loader, one (1) dump truck

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	1,700	-	3,200	-	2,500	-	7,400
Total (in thousands)		**1,700**	**-**	**3,200**	**-**	**2,500**	**-**	**7,400**

Replacement of Trackless Tractor, Cherry Pickers, Tire Shredder

Project ID	DIS2020007	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2022
District	Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2025
Community Council			

Description

Replace trackless tractor, cherry pickers, and tire shredder at Anchorage Regional Landfill

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	-	-	180	-	1,500	-	1,680
Total (in thousands)		**-**	**-**	**180**	**-**	**1,500**	**-**	**1,680**

Solid Waste Services - Refuse Collections
8 Year Summary
($ in thousands)

Financial Overview	2021 Actuals	2022 Proforma	2023 Proposed	2024	2025	2026	2027	2028
				Forecast				
Revenues	12,871	13,114	14,129	14,222	14,857	15,605	16,363	17,170
Expenses and Transfers [1]	11,967	13,014	13,404	11,566	12,556	12,822	13,072	13,365
Net Income (Loss)	**904**	**100**	**725**	**2,656**	**2,301**	**2,783**	**3,291**	**3,805**
Charges by/to Other Departments	2,561	2,923	3,230	3,052	3,128	3,206	3,286	3,368
Municipal Enterprise/Utility Service Assessment	200	213	187	291	1,007	993	956	954
Dividend to General Government	306	300	300	306	312	318	324	330
Transfers to General Government [2]	**3,067**	**3,436**	**3,717**	**3,649**	**4,447**	**4,517**	**4,566**	**4,652**
Operating Cash	1,051	1,500	2,852	2,804	2,854	2,116	1,606	1,606
Construction Cash Pool	4,840	6,829	1,218	9	277	-	-	-
Restricted Cash	2,876	4,826	500	-	-	-	-	-
Total Cash	**8,767**	**13,155**	**4,570**	**2,813**	**3,131**	**2,116**	**1,606**	**1,606**
Net Position/Equity 12/31	14,996	17,514	16,851	16,851	14,078	11,678	9,782	8,299
Capital Assets Beginning Balance	5,899	27,693	31,380	31,977	32,574	70,305	68,862	66,224
Asset Additions Placed in Service	17,805	4,624	1,709	1,709	38,900	1,270	99	1,965
Assets Retired	(169)	(234)	(278)	(278)	(292)	(678)	(684)	(678)
Change Depreciation (Increase)/Decrease	(1,257)	(703)	(834)	(834)	(877)	(2,035)	(2,053)	(2,036)
Net Capital Assets (12/31)	**27,693**	**31,380**	**31,977**	**32,574**	**70,305**	**68,862**	**66,224**	**65,475**
Equity Funding Available for Capital	3,800	803	1,559	3,490	3,178	4,818	5,344	5,841
Debt								
New Debt - Bonds	-	43,082	-	-	-	-	-	-
New Debt - Loans or Other	13,547	(24,388)	2,383	400	-	-	-	-
Total Outstanding Debt	24,388	43,082	45,191	45,231	44,851	44,453	44,035	43,597
Total Annual Debt Service Payment	132	1,004	2,688	6,869	7,238	7,282	6,972	6,688
Debt Service Requirement	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**
Debt Service Coverage (Bond)	0.00	0.00	1.15	1.15	1.15	1.15	1.15	1.15
Debt Service Coverage (Loan)	1.16	1.13	0.20	0.20	0.20	0.20	0.20	0.20
Debt Service Coverage (Total)	1.16	1.13	1.35	1.35	1.35	1.35	1.35	1.35
Debt/Equity Ratio	67/33	75/25	70/30	70/30	70/30	65/35	65/35	63/37
Rates per month								
Residential Rate per month (64 gal cart)	$29.00	$30.45	$31.97	$33.57	$35.25	$37.01	$38.86	$40.80
Commercial Rate (3Yd-1 per wk)	$138.00	$145.00	$152.00	$160.00	$168.00	$176.00	$185.00	$194.00
Rate Increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Statistical/Performance Trends								
Waste Collected (Tons)	33,245	33,577	33,913	33,913	33,913	33,913	33,913	33,913
Average Residential Services	12,953	12,972	12,972	12,972	12,972	12,972	12,972	12,972
Average Dumpsters Services	2,019	2,007	2,007	2,007	2,007	2,007	2,007	2,007

[1] Expenses shown include all transfers to General Government and all non-cash items: depreciation (including depreciation on assets purchased with grant funds) and amortization activities.

[2] Included in total expenses calculated in Net Income.

Certain actual financial figures above will not match the Annual Comprehensive Financial Report; the ACFR combines Disposal with Administrative and Vehicle Maintenance cost centers.

Solid Waste Services - Refuse Collections
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Commercial Collections	7,731,236	8,079,331	(41,660)	8,037,671	401,012	8,438,683	4.99%
Residential Collections	4,409,742	4,477,576	-	4,477,576	223,879	4,701,455	5.00%
Dumpster Container Rental	546,570	541,948	(10,000)	531,948	-	531,948	0.00%
Reimbursed Costs	87,222	78,500	-	78,500	-	78,500	0.00%
Miscellaneous	1,500	-	51,660	51,660	-	51,660	0.00%
Total Operating Revenue	**12,776,271**	**13,177,355**	**-**	**13,177,355**	**624,891**	**13,802,246**	**4.74%**
Non Operating Revenue							
Investment Income	69,791	(63,000)	100,000	37,000	290,000	327,000	783.78%
Other Income	25,000	-	-	-	-	-	0.00%
Total Non Operating Revenue	**94,792**	**(63,000)**	**100,000**	**37,000**	**290,000**	**327,000**	**783.78%**
Total Revenue	**12,871,063**	**13,114,355**	**100,000**	**13,214,355**	**914,891**	**14,129,246**	**6.92%**
Operating Expense							
Salaries and Benefits	3,304,638	3,436,131	-	3,436,131	47,836	3,483,967	1.39%
Overtime	99,195	87,937	-	87,937	-	87,937	0.00%
Total Labor	3,403,833	3,524,068	-	3,524,068	47,836	3,571,904	1.36%
Supplies	411,850	549,450	-	549,450	81,000	630,450	14.74%
Travel	250	6,000	-	6,000	-	6,000	0.00%
Contractual/Other Services	3,475,686	3,751,191	-	3,751,191	-	3,751,191	0.00%
Equipment/Furnishings	2,607	-	-	-	-	-	0.00%
Dividend to General Government	306,000	300,000	-	300,000	-	300,000	0.00%
Manageable Direct Cost Total	4,196,392	4,606,641	-	4,606,641	81,000	4,687,641	1.76%
Municipal Enterprise/Utility Service Assessment	200,208	213,017	-	213,017	(25,719)	187,298	-12.07%
Depreciation/Amortization	1,403,464	1,277,000	(20,000)	1,257,000	-	1,257,000	0.00%
Non-Manageable Direct Cost Total	1,603,672	1,490,017	(20,000)	1,470,017	(25,719)	1,444,298	-1.75%
Charges by/to Other Departments	2,560,987	2,923,121	-	2,923,121	307,362	3,230,483	10.51%
Total Operating Expense	**11,764,883**	**12,543,847**	**(20,000)**	**12,523,847**	**410,479**	**12,934,326**	**3.28%**
Non Operating Expense							
Debt Issuance Costs	37,279	20,000	-	20,000	-	20,000	0.00%
Interest on Loans	164,902	450,000	-	450,000	-	450,000	0.00%
Total Non Operating Expense	**202,182**	**470,000**	**-**	**470,000**	**-**	**470,000**	**0.00%**
Total Expense	**11,967,065**	**13,013,847**	**(20,000)**	**12,993,847**	**410,479**	**13,404,326**	**3.16%**
Net Income (Loss)	**903,998**	**100,508**	**120,000**	**220,508**	**504,412**	**724,920**	**228.75%**
Appropriation:							
Total Expense		**13,013,847**	**(20,000)**	**12,993,847**	**410,479**	**13,404,326**	**3.16%**
Less: Non Cash Items							
Depreciation/Amortization		1,277,000	(20,000)	1,257,000	-	1,257,000	0.00%
Amortization of Debt Expense		-	-	-	-	-	0.00%
Interest During Construction (AFUDC)		-	-	-	-	-	0.00%
Total Non-Cash		1,277,000	(20,000)	1,257,000	-	1,257,000	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**11,736,847**	**-**	**11,736,847**	**410,479**	**12,147,326**	**3.50%**

Solid Waste Services - Refuse Collections
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	11,736,847	26	-	1
Transfers by/to Other Departments				
- Charges by Other Departments	307,362	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	20,839	-	-	-
- Municipal Enterprise/Utility Service Assessment	(25,719)	-	-	-
2023 Continuation Level	**12,039,329**	**26**	**-**	**1**
2023 Proposed Budget Changes				
- Labor - Upgrade Swamper from Grade 10 to Grade 13 (2 positions)	26,997	-	-	-
- Non Labor - Gasoline	81,000	-	-	-
2023 Proposed Budget	**12,147,326**	**26**	**-**	**1**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**12,147,326**	**26**	**-**	**1**
	2023 Proposed FTE			
	26.5	**26.0**	**0.0**	**0.5**

SWS Refuse Department
2023 Capital Improvement Budget

($ in thousands)

Projects	Debt	State Grants	Federal Grants	Equity	Total
Replace Recycle Roll Carts and Yard Waste Carts	-	-	-	25	25
Replacement of Refuse Frontloaders and Sideloaders, and light duty vehicles	-	-	-	100	100
Total	**-**	**-**	**-**	**125**	**125**

SWS Refuse Department
2023 - 2028 Capital Improvement Program

($ in thousands)

Projects	Year	Debt	State Grants	Federal Grants	Equity	Total
Refuse Collection						
Replace Dumpsters and Roll Carts	2024	-	-	-	335	335
	2025	-	-	-	335	335
	2026	-	-	-	335	335
	2027	-	-	-	335	335
		-	-	-	1,340	1,340
Replacement of Refuse Frontloaders and Sideloaders, and light duty vehicles	2023	-	-	-	100	100
	2024	-	-	-	1,027	1,027
	2025	-	-	-	245	245
	2026	-	-	-	153	153
	2027	-	-	-	1,000	1,000
		-	-	-	2,525	2,525
Refuse Collection Recycling						
Replace Recycle Roll Carts and Yard Waste Carts	2023	-	-	-	25	25
	2024	-	-	-	25	25
	2025	-	-	-	25	25
	2026	-	-	-	25	25
	2027	-	-	-	25	25
		-	-	-	125	125
	Total	**-**	**-**	**-**	**3,990**	**3,990**

Replace Dumpsters and Roll Carts

Project ID	REF2020003	**Department**	SWS Refuse
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 3 - Spenard	**End Date**	December 2021
Community Council			

Description

Replace refuse collection dumpsters and roll carts. Refuse replaces damaged dumpsters and roll carts each year, and purchases carts for additional needs, such as bear resistant cart to provide to customers needing additional security from wildlife.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	560200 - Refuse Collection Capital	-	335	335	335	335	-	1,340
Total (in thousands)		**-**	**335**	**335**	**335**	**335**	**-**	**1,340**

Replace Recycle Roll Carts and Yard Waste Carts

Project ID	REF2020004	**Department**	SWS Refuse
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 3 - Spenard	**End Date**	December 2021
Community Council			

Description

Refuse purchases recycle roll carts and yard waste carts annually for replacement and new customers.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	560200 - Refuse Collection Capital	25	25	25	25	25	-	125
Total (in thousands)		**25**	**25**	**25**	**25**	**25**	**-**	**125**

Replacement of Refuse Frontloaders and Sideloaders, and light duty vehicles

Project ID	REF2020002	**Department**	SWS Refuse
Project Type	Replacement	**Start Date**	January 2021
District	Tax: 3 - Spenard	**End Date**	December 2021
Community Council			

Description

2023 Purchase replacement of two (2) automated sideloaders

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	**Fund**							
Net Position	560200 - Refuse Collection Capital	100	1,027	245	153	1,000	-	2,525
Total (in thousands)		**100**	**1,027**	**245**	**153**	**1,000**	**-**	**2,525**

Solid Waste Services - Administration
Statement of Revenues and Expenses

	2021 Actuals	2022 Proforma	$ Change	2022 Revised	$ Change	2023 Proposed	23 v 22 % Change
Operating Revenue							
Non Operating Revenue							
Investment Income	(7,670)	(3,000)	-	(3,000)	(52,000)	(55,000)	1733.33%
Total Non Operating Revenue	**(6,112)**	**(3,000)**	**-**	**(3,000)**	**(52,000)**	**(55,000)**	**1733.33%**
Total Revenue	**(6,112)**	**(3,000)**	**-**	**(3,000)**	**(52,000)**	**(55,000)**	**1733.33%**
Operating Expense							
Salaries and Benefits	2,838,919	3,409,264	(119,000)	3,290,264	392,527	3,682,791	11.93%
Overtime	72,015	38,341	-	38,341	-	38,341	0.00%
Total Labor	2,910,934	3,447,605	(119,000)	3,328,605	392,527	3,721,132	11.79%
Supplies	24,075	24,300	-	24,300	-	24,300	0.00%
Travel	10,882	11,120	-	11,120	-	11,120	0.00%
Contractual/Other Services	210,808	141,600	-	141,600	-	141,600	0.00%
Equipment/Furnishings	9,122	2,000	-	2,000	-	2,000	0.00%
Contributions to Other Funds	330	-	-	-	-	-	0.00%
Dividend to General Government	-	-	-	-	-	-	0.00%
Manageable Direct Cost Total	255,217	179,020	-	179,020	-	179,020	0.00%
Charges by/to Other Departments	(3,172,263)	(3,629,625)	119,000	(3,510,625)	(389,527)	(3,900,152)	11.10%
Total Operating Expense	**(6,112)**	**(3,000)**	**-**	**(3,000)**	**3,000**	**-**	**-100.00%**
Non Operating Expense							
Total Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Total Expense	**(6,112)**	**(3,000)**	**-**	**(3,000)**	**3,000**	**-**	**-100.00%**
Net Income (Loss)	**-**	**-**	**-**	**-**	**(55,000)**	**(55,000)**	**0.00%**
Appropriation:							
Total Expense		**(3,000)**	**-**	**(3,000)**	**3,000**	**-**	**-100.00%**
Less: Non Cash Items							
Total Non-Cash		-	-	-	-	-	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**(3,000)**	**-**	**(3,000)**	**3,000**	**-**	**-100.00%**

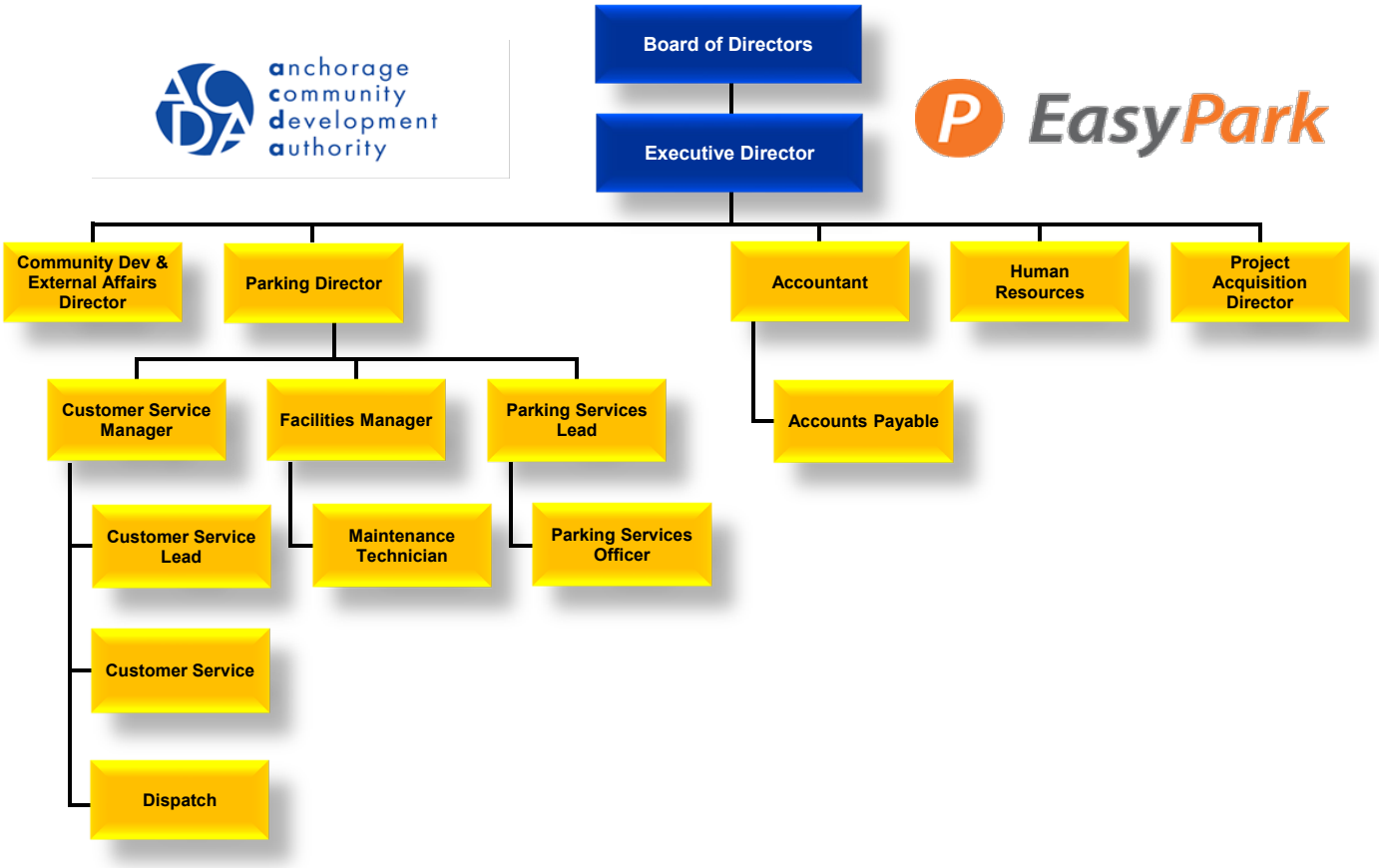
This fund is: not appropriated, presented for demonstration only, expenses are allocated to: Disposal 63% and Refuse 37%, and presented in Charges by/to Other Departments.

Solid Waste Services - Administration
Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2022 Revised Budget (Appropriation)	-	23	7	-
Transfers by/to Other Departments				
- Charges by Other Departments- Disposal 59.5%, Refuse 40.5%	(389,527)	-	-	-
Debt Service				
- Debt Service	-	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and Benefits Adjustments	47,286	-	-	-
2023 Continuation Level	**(342,241)**	**23**	**7**	**-**
2023 Proposed Budget Changes				
- Labor - NEW Central Transfer Station (CTS) - Create .75 FTE, Customer Service Account Representative I (Grade 9/Step 1)	64,825	-	1	-
- Labor - NEW CTS - Create 1 FTE, Customer Service Account Representative IV (Grade 12/Step 6)	95,340	1	-	-
- Labor - NEW CTS - Create 2 FTE, Customer Service Account Representative III (Grade 11/Step 1)	178,190	2	-	-
- Labor - NEW CTS - Create .75 FTE, Customer Service Account Representative II (Grade 10/Step 1)	68,819	-	1	-
- Labor - NEW CTS - Upgrade 1 FTE, Filled, Customer Service Account Representative III GR11 to Customer Service Account Coordinator GR 12	8,223	-	-	-
- Labor - NEW CTS - Upgrade 1 FTE, Filled Customer Service Account Representative III to IV	8,223	-	-	-
- Labor - New CTS - Upgrade 1 FTE, Filled, Customer Service Jr Administrative officer GR12 to Customer Service Administrative Coordinator GR 13	9,331	-	-	-
- Labor - Eliminate, 1 FTE, Filled Senior Code Enforcement Officer	(90,710)	(1)	-	-
2023 Proposed Budget	**-**	**25**	**9**	**-**
2023 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2023 Proposed Budget (Appropriation)	**-**	**25**	**9**	**-**
	2023 Proposed FTE			
	31.8	**25.0**	**6.8**	**0.0**

This fund is: not appropriated, presented for demonstration only, expenses are allocated to: Disposal 63% and Refuse 37%, and presented in Charges by/to Other Departments.

Anchorage Community Development Authority and EasyPark



The Anchorage Community Development Authority

Organization
Pursuant to Municipal Code, AMC 25.35.010(A), the Anchorage Community Development Authority (ACDA) is "an instrument of the Municipality, but exists independently of and separately from the Municipality." ACDA is governed by a nine-member board of directors appointed by the mayor and approved by the Anchorage Assembly (assembly). Two of the nine members are executive employees of the Municipality. In addition, two assembly members serve as *ex officio* members of the board. The management team of ACDA reports to the Board of Directors. The Executive Director is appointed by and serves at the pleasure of the Mayor.

The ACDA consists of two departments: Development and Parking Services (branded EasyPark), with a total operational staff of 26 employees. These employees operate all municipal parking facilities, maintain and clean public garages and parking lots, maintain on-street parking meters, manage Anchorage Police Department's parking citation system, plan and develop public projects, and manage property in the ACDA's inventory. ACDA's planning and development staff work on projects and property transferred from the Municipality to ACDA, along with other redevelopment projects, both in the public as well as private sectors.

History
The predecessor of ACDA, the Anchorage Parking Authority, was originally created as a separate public authority on February 28, 1984. That authority was created "to create an environment in the Anchorage area such that parking and parking policies are a position of influence for the community as a whole." Within four years, the Anchorage Parking Authority operated three public garages (two of which were new), six surface lots and on-street spaces within the Central Business District (CBD). Total parking operated by the Anchorage Parking Authority was approximately 5,800 spaces. Revenues from parking operations were used to help pay debt service on the parking garages built in the 1980's.

On January 18, 2005, the assembly adopted an amendment to the Anchorage Parking Authority Ordinance that created the ACDA as an instrument of the Municipality, existing independently of and separately from the Municipality, replacing the former Anchorage Parking Authority. The powers of ACDA were expanded to include responsibilities above and beyond the management of parking facilities, including the acquisition, operation, improvement, and leasing of property.

In 2008, the ACDA's mission was formally defined to include the responsibility to "create and develop opportunities that forward municipal goals and objectives, using innovations, partnerships, sound planning, and incentives. Additionally in 2008, the Development Department was created in ACDA, which would be responsible for acquiring or disposing of interests in real property, and constructing, improving, operating, managing, and controlling real property assets.

In June of 2011, the assembly delegated ACDA authority to enforce parking violations in the area bounded by Ship Creek on the north, Gambell Street on the east, 10th Avenue on the south, and M street on the west. The assembly amended Anchorage Municipal Code chapter 25.35.

In the fall of 2017, the ACDA Board of Directors held a planning session to determine the organization's strategy for the coming year. Those goals included improvements in organizational efficiencies through new parking technologies and cost containment, and a more aggressive approach to new developments in downtown Anchorage.

In 2022 The ACDA Board and staff attended a retreat to evaluate the effectiveness of the Authority's mission and vision. As result, the mission and vision were updated and later this year the corporation will be attending the Anchorage Assembly to propose updating the municipal code to reflect that new mission.

Mission & Vision

The mission statement of ACDA is "***Serve as the catalyst for economic development by delivering quality private/public projects and innovative parking mobility services within the Municipality of Anchorage.***"

The vision of ACDA is to promote "***A vibrant and prosperous Municipality of Anchorage, experiencing economic growth, robust development, and cutting edge parking mobility services.***"

Under Municipal code ACDA's mission is to:

- Provide sufficient, high-quality, customer-focused public parking by managing parking resources in a fair and efficient manner for the benefit of the residents of the Municipality.
- Create and develop opportunities that forward municipal goals and objectives, using innovation, partnerships, sound planning, and incentives.
- Engage in community and economic development opportunities, including but not limited to the acquisition of vacant or abandoned property and facilities, with a goal of encouraging economic growth, commercial development, and safe and vibrant neighborhoods, and furthering the goals and objectives of municipal plans and policies.

We believe as an organization that everything we do, must serve our stakeholders by adding tangible value to the Municipality, ACDA, and the Anchorage Community.

Budget Assumptions

Revenue 2023

- The corporation will be cash flow positive in 2023.
- Parking revenue will grow and normalize as more and more workers return to downtown.
- Management believes off street and garage revenue will return to post Covid19 levels in 2023.
- Leasing revenue will continue to be consistent and there will be no major variances from previous years.
- Focus on development and redevelopment projects will bring new revenue sources.
- Management will continue to drive efficiency of operations adding to the bottom line profitability of the organization.

Expenses 2023

- Better physical management policies will be implemented.
- Use of automation to increase efficiency.
- Use of competitive bidding to ensure low cost, high value on medium and large contracts.
- Better utilizations of resources.
- Staff cross training to allow for a more educated and efficient work force.
- Complete badly needed deferred facility maintenance.

Executive Director's Message

2023 promises to be a great year for the Anchorage Community Development Authority.

The corporation will continue to expand its vision across the entire municipality while maintaining its roots in downtown. ACDA believes that for our city to thrive we need a vital and growing downtown we will work to that end. ACDA also recognizes the need for more housing in Anchorage and as such will be unveiling a comprehensive plan to help address the housing shortage. This plan will seek to increase housing in downtown and across the entire municipality.

Additional highlights of what you can expect from us in 2023

- Purchase JCPenney Garage and submission of a redevelopment plan for the area.
- The completion of Block 96 Flats, the largest housing project downtown in 25 years.
- A focus on stronger relationships with other municipal departments.
- The start of construction on the $70 million dollar 6th Avenue project.
- Continued focus on economic development working with AEDC, Anchorage Chamber, and other stakeholder groups.
- Commence construction on redesigning a new modern transit space at 6th Avenue.
- Pursue economically feasible projects outside the downtown corridor.
- EasyPark will continue to operate clean, safe and value added garages.
- Focus on P3 partnerships leveraging assets to construct needed housing units

On behalf of the team at ACDA we are proud of the work we have done over the last year and we look forward to a very active and successful 2023.

Mike W. Robbins
Executive Director

Anchorage Community Development Authority
Statement of Revenues and Expenses

	2022 Approved	2023 Proposed
Operating Revenue		
Parking Revenue	6,213,854	6,350,012
Leased Space Revenue	1,956,636	1,998,620
Other Non-Operating Revenue	5,771	2,000
Real Estate Sales - Development	-	-
Total Operating Revenue	**8,176,261**	**8,350,632**
Operating Expense		
Labor	2,502,590	2,650,849
Professional Fees	442,000	423,000
Contract Services	905,200	1,015,200
Information Services	373,000	355,000
Direct Maintenance Costs	201,500	236,500
Facility Maintenance Contract Services	290,000	302,000
Utility Expenses	402,000	330,000
General Expenses	566,828	678,128
Municipal Enterprise Service Assessment (MESA)	700,000	700,000
Office Expenses	31,500	36,500
Employee Expenses	19,000	33,500
Real Estate Costs - Northpointe	-	-
Interest Expense	743,584	827,328
Depreciation	2,400,000	1,903,949
Total Expenses	**9,577,202**	**9,491,954**
Net Income (Loss)	**(1,400,941)**	**(1,141,322)**
Appropriation		
Total Expense		
Less: Non Cash Items		
Depreciation	(2,400,000)	(1,903,949)
Amount to be Appropriated (Cash Expense)	**7,177,202**	**7,588,005**

Anchorage Community Development Authority
2023 Capital Improvement Budget

Project Title	Total
Exterior Structural Repair & Maintenance	55,000
Interior Health & Safety Structural Repair	1,200,000
Software Upgrade	75,000
Total	**1,330,000**

Glossary of Terms

ACDA	Anchorage Community Development Authority
ACIP	Airport Capital Improvement Plan
ADEC	Alaska Department of Environmental Conservation
ADF&G	Alaska Department of Fish and Game
ADNR	Alaska Department of Natural Resources
AEC	Alaska Engineering Commission
AECD	Anchorage Economic Community Development
AFUDC	Allowance for Funds Under Construction
AIP	Federal Airport Improvement Program
ALP	Airport Layout Plan
AMC	Anchorage Municipal Code
AMI	Advanced Metering Infrastructure
AMR	Automatic Meter Reading
ANC	Ted Stevens Anchorage International Airport
AP&L	Anchorage Power & Light Company
APD	Anchorage Police Department
APUC	Alaska Public Utilities Commission
ARC	Anchorage Recycling Center
ARL	Anchorage Regional Landfill
ARO	Asset Retirement Organization
ASD	Anchorage School District
ASU	Anchorage Wastewater Utility
ATCT	Tower
ATIS	Air Traffic Information Service
AUD	Autodesk Utility Design
AWU	Anchorage Water Utility
AWWU	Anchorage Water & Wastewater Utility
BCE	Business Case Evaluation
BLS	Bureau of Labor Statistics
BOD	Biological Oxygen Demand
BRU	Beluga River Unit
CAA	Clean Air Act
CAD	Computer Aided Drafting
CAIDI	Customer Average Interruption Duration Index
CARES	Coronavirus Aid, Relief, and Economic Security
CBD	Central Business District
CEA	Chugach Electric Association
CFIT	Controlled Flight into Terrain
CIB	Capital Improvement Budget

CIP	Capital Improvement Program
COPA	Cost of Power Adjustment
CPR	Continuing Property Records
CPV	Commercial Passenger Vessels
CTS	Central Transfer Station
CVP	Commercial Vessel Passenger
CWA	Clean Water Act
DART	Days Away Restricted Transferred
DOT	Department of Transportation
DU	Doyon Utilities
EMS	Energy Management System
EOC	Eklutna Operating Committee
EPA	Environmental Protection Agency
FAA	Federal Aviation Administration
FBO	Fixed Based Operator
FEMA	Federal Emergency Management Agency
FERC	Federal Energy Regulatory Commission
FTZ	Foreign Trade Zone
GA	General Aviation
GAAB	Greater Anchorage Area Borough
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GG	General Government
GIS	Geographic Information System
GTS	Girdwood Transfer Station
HGL	Hydraulic Grade Line
HHW	Household Hazardous Waste
HPS	High Pressure Sodium
HVAC	Heating, Ventilation, and Air Conditioning
IATA	International Air Transport Association
IBEW	International Brotherhood of Electrical Workers Union (Local 302)
ICAO	International Civil Aviation Organization
JBER	Joint Base Elmendorf-Richardson
kW	Kilowatts
LAN	Local Area Network
LFG	Landfill Gas
LIO	Legislative Information Office
LNG	Liquefied Natural Gas
MAAAC	Municipal Airports Aviation Advisory Commission
MEA	Matanuska Electric Association
MESA	Municipal Enterprise Service Assessment

MGD	Million Gallons per Day
ML&P	Municipal Light and Power
MMPA	Marine Mammal Protection Act
MOA	Municipality of Anchorage
MRI	Merrill Field Airport
MUSA	Municipal Utility Service Assessment
MW	Megawatts
MWh	Megawatt Hours
NARUC	National Association of Regulatory Utility Commissioners
NEPA	National Environmental Policy Act
NESAP	Asbestos
NESC	National Electric Safety Code
NMFS	National Marine Fisheries Service
NOAA	National Oceanic and Atmospheric Administration
NOTAM	Notices to Airmen
NPDES	National Pollution Discharge Elimination System
NSPS	New Source Performance Standards
O&M	Operations & Maintenance
OSHA	Occupational Safety & Health Administration
PAC	Power Activated Carbon
PAMP	Port of Alaska Modernization Project
PAMR	International Civil Aviation Organization name for Merrill Field Airport
PCB	Polychlorinated Biphenyls
PCI	Pavement Condition Index
PCT	Petroleum Cement Terminal
PIEP	Port of Anchorage Intermodal Expansion Project
PME	Protection, Mitigation, or Enhancement
PPA	Power Purchase Agreement
PPR	Prior Permission Required
PUA	Preferential Use Agreement
RCA	Regulatory Commission of Alaska
RCRA	Resource Conservation and Recovery Act
RCU	Refuse Collection Utility
RIM	Runway Incursion Mitigation
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SCADA	Supervisory Control and Data Acquisition Systems
SDWA	Safe Drinking Water Act
SIM	MOA Aircraft Simulator
SIR	Standard industrial rate

SOII	Survey of Occupational Injuries and Illnesses
SPP	Southcentral Power Plant
SRE	Snow Removal Equipment
SWRAC	Solid Waste and Recycling Advisory Commission
SWS	Solid Waste Services
SWSDU	Solid Waste Disposal Utility
TRIR	Total Recordable Incident Rates
USBR	U.S. Bureau of Reclamation
USCG	U.S. Coast Guard
USFWS	United States Fish and Wildlife Service
UV	Ultraviolet
VPD	Vehicle-Pedestrian Deviation
WTF	Water Treatment Facility
WWTF	Wastewater Treatment Facility
YTD	Year-to-Date