



AWWU Update

*A presentation to
Assembly Infrastructure Enterprise and Utility Oversight Committee
January 16, 2025*

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AWWU's Mission & Purpose is to Safeguard the Public Health and Environment by providing clean and reliable water and wastewater services to our community sustainably.



Presentation Topics

- Privatization (Relinquishment) of Portions of Public Water and Sewer Mains (AO 2023-107)
- Upcoming Contract Amendment – Bill Presentment and Payment System
- Upcoming Contract Amendment – Permit Monitoring Contract



Privatization (Relinquishment) of Portions of Public Water and Sewer Mains

- Why is Privatization (Relinquishment) Required?
 - Often part of a re-platting effort (combination or division of lots)
 - Benefiting only one property
 - Required to comply with Anchorage Water & Wastewater Utility Tariffs
 - Portion of Public main becomes private service extension
 - Liability to MOA/AWWU
 - Needed for re-plat/development to move forward
- What are the economic effects of Privatization (Relinquishment)?
 - Negligible, liability reduction, reduces depreciation and MUSA expense
- Historically, Assembly action was not required



Privatization (Relinquishment) of Portions of Public Water and Sewer Mains

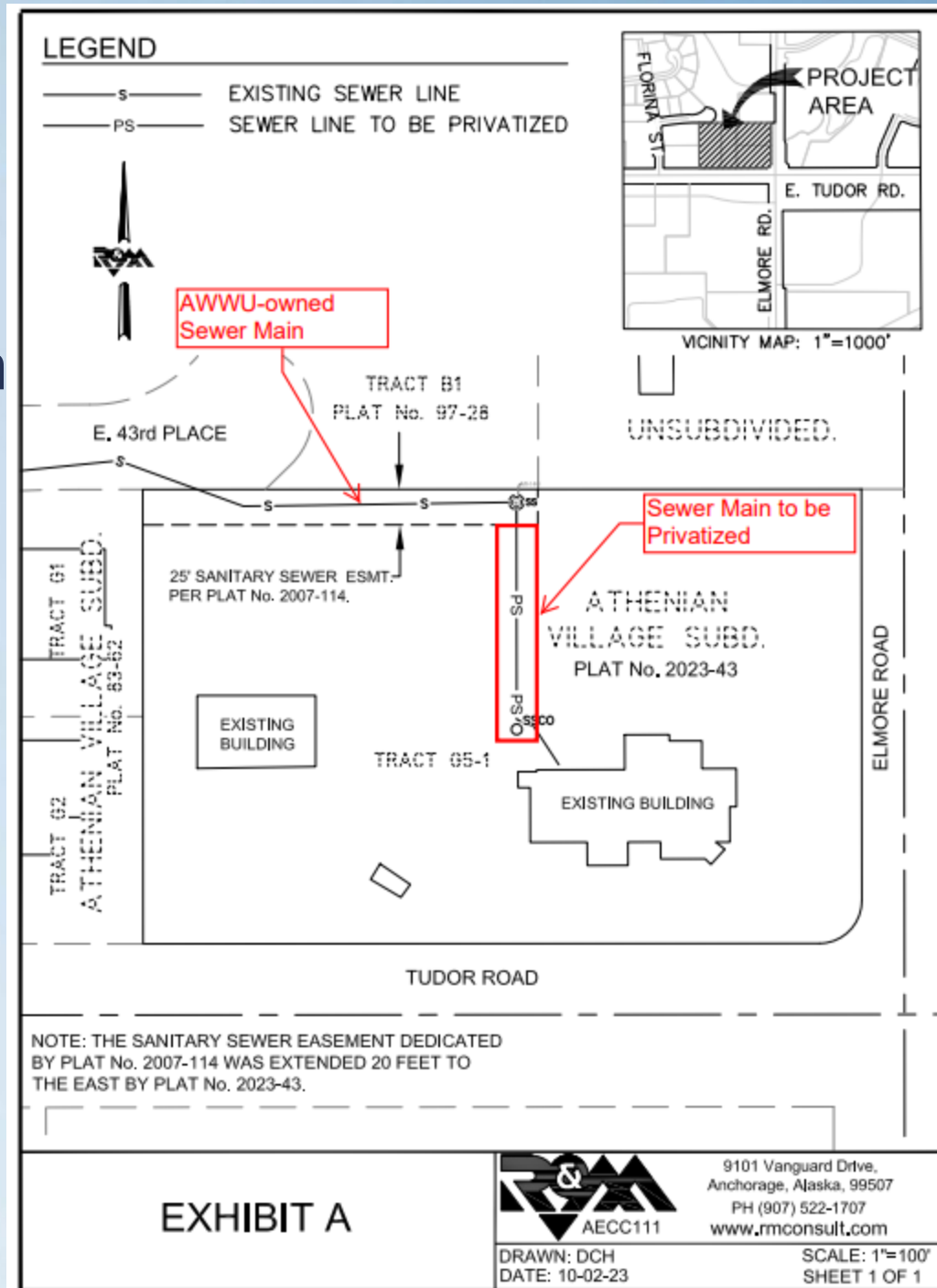
- AO-2023-107 (as amended) requires Assembly Approval of:

- D. Any conveyance, disposal, contract, or other agreement that transfers or conveys substantial or total control over the operation or use of a municipal property or facility shall be treated as a disposal for purposes of this subsection and require an ordinance, excluding the following:
1. Short term rental or use agreements for less than 90 days, including options and renewals.
 2. Rental or use agreements limited to a small portion of a facility, such as a room or rooms, or a particular ~~or~~ area for a designated use.
 3. Agreements for operation or use limited to interests in land identified in Subsection B. and C.
 4. Operating agreements and similar agreements to the extent the agreement is competitively procured under Title 7 and is subject to assembly approval and public process under Title 7.
- E. Subsequent material amendments to the scope, term, or control of a disposal under Subsection D. shall also require assembly approval of an ordinance.



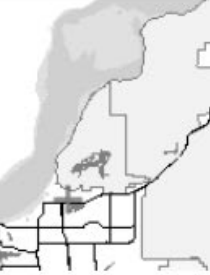
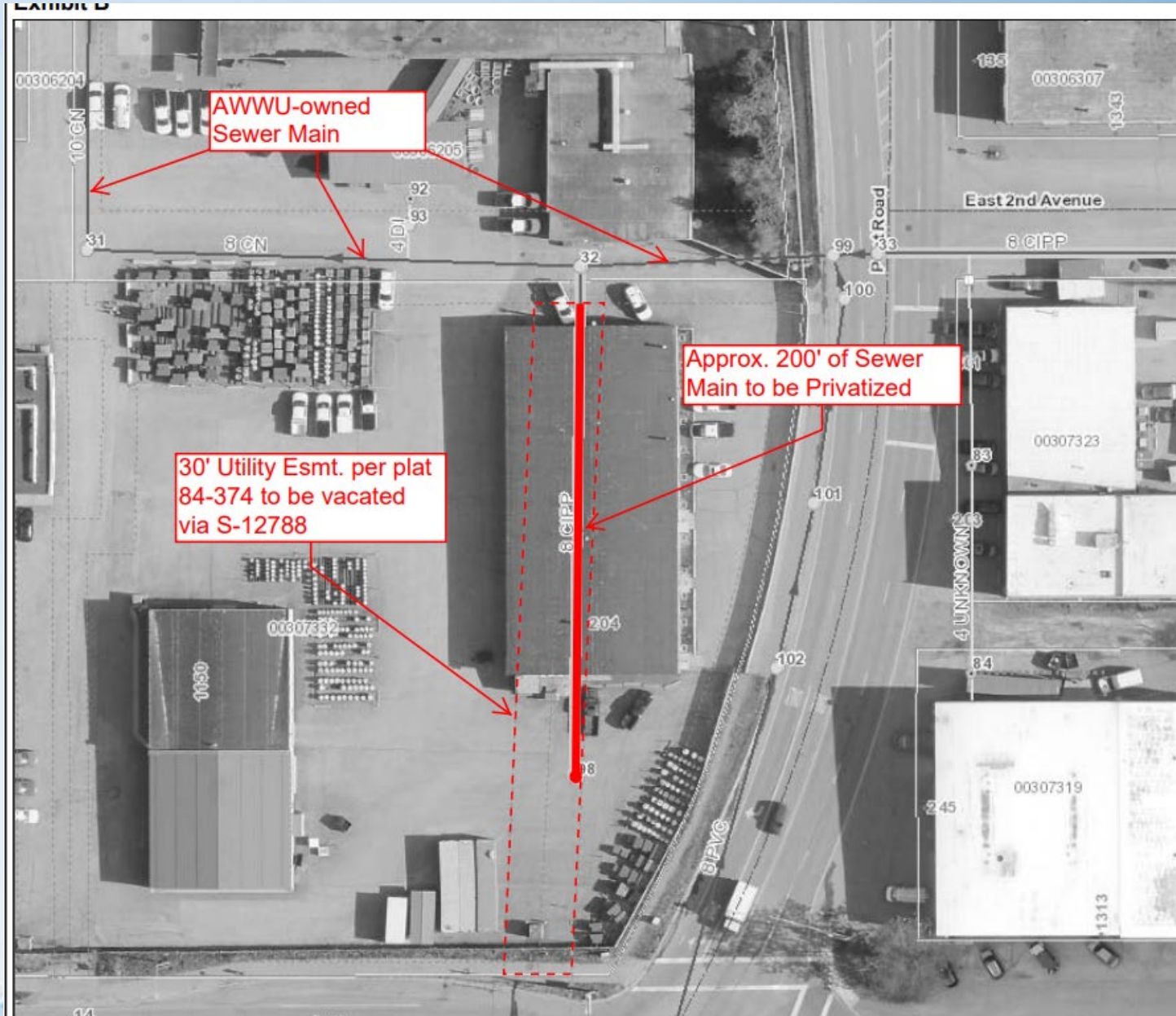
SCF Detox

- Plan for new building on top of sewer main
- Old building to be demolished
- Sewer easement vacated via plat 2023-43
- Public main would “dead end” (becomes service extension)



Chugach Electric (Old ML&P)

- Legacy public sewer under building
- Owner intends to subdivide
- Liability to AWWU
- Sewer easement vacated via plat case S-12788



Scale 1:600

Upcoming Assembly Request for Bill Presentment and Payment System Contract Amendment

- AWWU's existing CIS system went live September 2005
- CIS System generates invoices and stores customer data
- System is old and revision locked
- AWWU brings in about \$10M/month to MOA Cash Pool
- Effort underway to replace CIS System
 - RFP in progress for Business Requirements Gathering
 - Business Requirements effort will lead to RFP for new CIS system
 - Integration with SAP and Work Management System



Upcoming Assembly Request for Bill Presentment and Payment System Contract Amendment

- Bill Presentment and Payment System:
- Critical Services:
 - Bill generation, printing, and mailing
 - Web portal for online payments and e-bill presentation
 - Payment aggregation from various channels like Interactive Voice Response, Remittance Processing Service, and ACH bank transfers and bill pay svcs.
- Enhanced website functionality:
 - Improved user interface
 - Improved features for self-enrollment, simplified log in, auto pay, and one-time payments
 - Enhanced customer experience and engagement while maintaining required Payment Credit Industry security and compliance standards



Upcoming Assembly Request for Bill Presentment and Payment System Contract Amendment

- Significant financial implications to replace vendor
 - Implementing a new platform would incur substantial expenses
 - Launching new interface project would demand significant resources
 - Increased costs to develop and test new interface with CIS, IVR, and RPS
 - Significantly delays implementation of new CIS
- Amendment No. 11 (Kubra Limited):
 - Increase of \$2,908,762
 - Extend to March 31, 2030
 - New NTE \$7,352,552
 - Time sensitive (can't bill customers without this contract)
- Competitively replace bill presentment and payment system with new CIS



We Are the Clean Water Stewards

AWWU's Mission & Purpose is to Safeguard the Public Health and Environment by providing clean and reliable water and wastewater services to our community sustainably; which is in alignment with CWA objectives

The objective of this Act is to restore and maintain the chemical, physical, and biological integrity of the Nation's waters.

- Clean Water Act § 101(a)

- EPA permits wastewater discharge under the Clean Water Act's (CWA) National Pollution Discharge Elimination System (or NPDES)
- Most facilities need to meet water quality goals by meeting primary and secondary treatment standards
- Under section 301(h) of CWA, Asplund and dozens of other facilities in the US are allowed to waive secondary Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) requirements because the facility:
 - ✓ Discharges into marine waters with large tides and currents that facilitate mixing and assimilation
 - ✓ Demonstrates that CWA goals are met without secondary treatment and meet 9 additional CWA stringent criteria



Environmental Monitoring

Current permit requires us to perform annual environmental monitoring to:

- Ensure Cook Inlet is protected
- Differentiate between natural changes and those that may be caused by Asplund discharge
- Measure compliance with state and federal regulations
- Help monitor facility performance
- Decades of monitoring has shown no adverse impact to environment & current re-application process is intended to prove we are still meeting that goal



Sampling Inlet Water Quality





Upcoming Assembly Request for Permit Monitoring Contract Amendment

- Contract provides compliance monitoring of permit and receiving waters (Cook Inlet)
- Original contract awarded in 2001 with options to amend
- Permit renewal application filed in 2005 – administratively extended
 - Updated permit application to EPA in early 2025
- Continuity provided by using same contractor
 - Limited vendors for this extensive work in Alaska
- Amendment No. 20 (Kinnetic Environmental):
 - Increase of about \$1.4M
 - Extend to March 31, 2028
 - New NTE ~ \$8.53M
- Amendment to include language for new competitive contract with new permit



Questions?

