



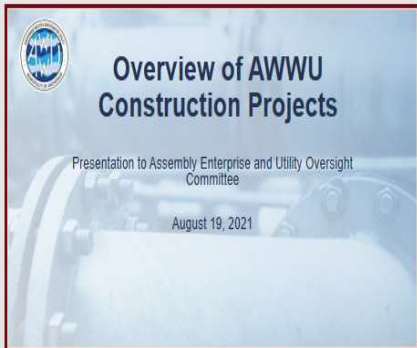
Powder Reserve and AWWU King St. Fuel Storage Improvements

*A presentation to
Assembly Enterprise and Utility Oversight Committee
August 15, 2024*

Mark A. Corsentino, P.E., General Manager
Mark Schimscheimer, P.E., Engineering Director
James Armstrong, P.E., Project Manager

Presentation Goals

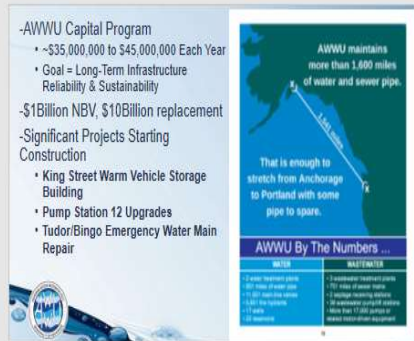
- Request to repeal historical 2017 AR's based on historical MGSA to reflect amended MGSA w/Eklutna Inc.
- Construction approval for \$4.75M AWWU King St. Fuel Storage Project to reflect current KS Master Plan phasing



Overview of AWWU Construction Projects

Presentation to Assembly Enterprise and Utility Oversight Committee

August 19, 2021



-AWWU Capital Program

- ~\$35,000,000 to \$45,000,000 Each Year
- Goal = Long-Term Infrastructure Reliability & Sustainability
- \$1Billion NBV, \$10Billion replacement
- Significant Projects Starting Construction
- King Street Warm Vehicle Storage Building
- Pump Station 12 Upgrades
- Tudor/Bingo Emergency Water Main Repair

AWWU maintains more than 1,600 miles of water and sewer pipe.

That is enough to stretch from Anchorage to Portland with some pipe to spare.

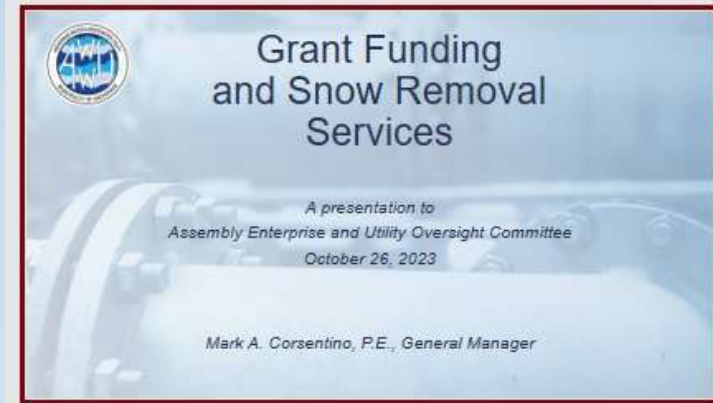
AWWU By The Numbers ...

WATER	SEWER
1,600 miles of pipe	1,200 miles of pipe
100 miles of sewer pipe	100 miles of sewer pipe
1,100 miles of water pipe	1,100 miles of water pipe
1,100 miles of water pipe	1,100 miles of water pipe
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King Street Warm Vehicle Storage Building

Warm Storage Building Addition



Grant Funding and Snow Removal Services

A presentation to Assembly Enterprise and Utility Oversight Committee

October 26, 2023

Mark A. Corsentino, P.E., General Manager



King Street Warm Vehicle Storage

Estimated Project Cost ~\$18 Million

- ~\$3M Design
- ~\$15M Construction
- CIB Fund Years 2016/2018/2019/2020/2021

Community Work Force Agreement

BETTSWORTH NORTH, AWR, SHANNON & WILSON, RSA, K&S



King Street Warm Vehicle Storage

Life/Safety Improvements

- Code Compliance
- Minimizes Incidents Associated with Congestion

Benefits Maintenance Service Levels

- Houses ~\$15M Specialized Equipment
- Cold Weather Equipment Limitations
- Emergency Responsiveness Efficiencies



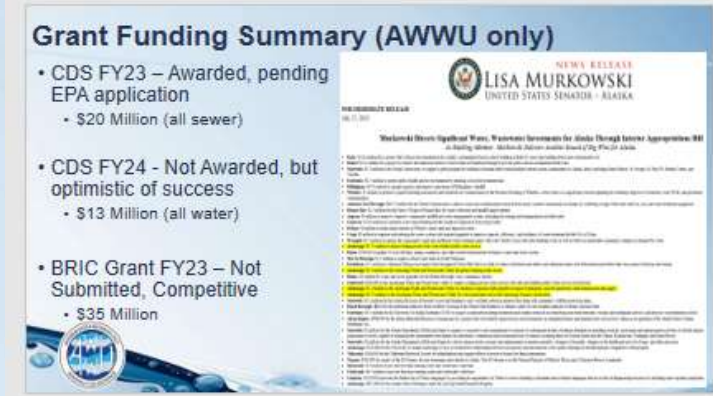
King Street Warm Vehicle Storage

-Coordinated with Other Facility Plan Improvements

- Material Storage
- Main Building Improvements
- Site Specific Improvements

-24-Hour Emergency Response Center for Water & Sewer Systems

- Houses approx. 100 O&M Staff
- Potential Consolidation of AWWU Facilities



Grant Funding Summary (AWWU only)

- CDS FY23 – Awarded, pending EPA application
 - \$20 Million (all sewer)
- CDS FY24 - Not Awarded, but optimistic of success
 - \$13 Million (all water)
- BRIC Grant FY23 – Not Submitted, Competitive
 - \$35 Million

LISA MURKOWSKI
UNITED STATES SENATOR - ALASKA





Powder Reserve: Request to Repeal Improvement District Resolutions

August 15, 2024

Mark Schimscheimer, P.E.
Engineering Division Director

Methane Gas Settlement Agreement

- January 9, 2017
- MOA – Eklutna Inc.
- Requires AWWU/MOA to build Sewer Trunk and Water Transmission Infrastructure using “diligence and best efforts”
- “Triggering Events”



SETTLEMENT AGREEMENT

[EKLUTNA, INC. VS. MUNICIPALITY OF ANCHORAGE, Case No. 3AN-13-09759 CI]

THIS SETTLEMENT AGREEMENT (“Agreement”) is executed by and between Eklutna, Incorporated (hereinafter referred to as “Eklutna”) and the Municipality of Anchorage (hereinafter referred to as the “Municipality”) (Eklutna and the Municipality are sometimes hereinafter collectively referred to as “Parties” or singularly as a “Party”).

WITNESSETH:

WHEREAS, on October 3, 2013, Eklutna filed suit, captioned *Eklutna, Inc. vs. Municipality of Anchorage*, Case No. 3AN-13-09759 CI (the “Lawsuit”), against the Municipality alleging, among other causes of action, breaches by the Municipality of Anchorage of that certain agreement known as the North Anchorage Land Agreement (“NALA”) as it applies to the Municipality’s agreement with Doyon Utilities, LLC, at the Anchorage Regional Landfill (“ARL”);

WHEREAS, the Parties have agreed to settle the Lawsuit on the terms set out in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and undertakings set out herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all Parties to this Agreement, Eklutna and the Municipality hereby agree as follows:

1. **Payment to Eklutna.** In addition to the payment to Eklutna described in Section 2, the Municipality shall pay to Eklutna, Inc., at Closing, the sum of \$750,000 in collectible funds. As used in this memorandum of agreement, “Closing” shall have the meaning set out in Section 6.

2. **Acceleration of Expansion of Housing Supply.** The Parties agree each to make significant contributions toward the expansion of housing supply in Anchorage, as follows:

2.1. The Municipality’s contributions shall consist of the following:

2.1.1. The Municipality shall pay to Eklutna at Closing the sum of \$5,000,000 in immediately collectible funds. Of the sum of \$5,000,000, Eklutna shall deposit the sum of \$2,000,000 in Eklutna’s permanent fund investment account and shall commit not to withdraw any portion of the principal amount of \$2,000,000 from its permanent fund investment account except in accordance with the provisions of Sections 2.3, 2.4, and 2.5, below. Other than the commitment not to withdraw any portion of the principal amount of the \$2,000,000 from Eklutna’s permanent fund investment account except in accordance with the terms of this Agreement, and the contingent commitment to refund to the Municipality the

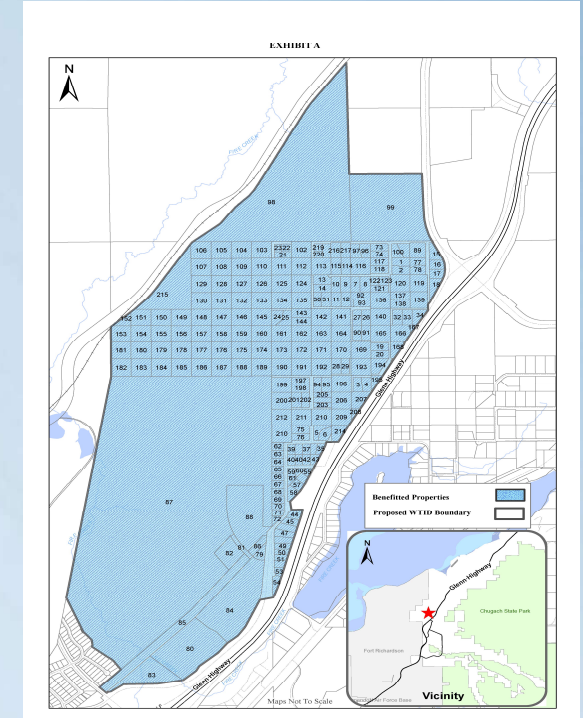
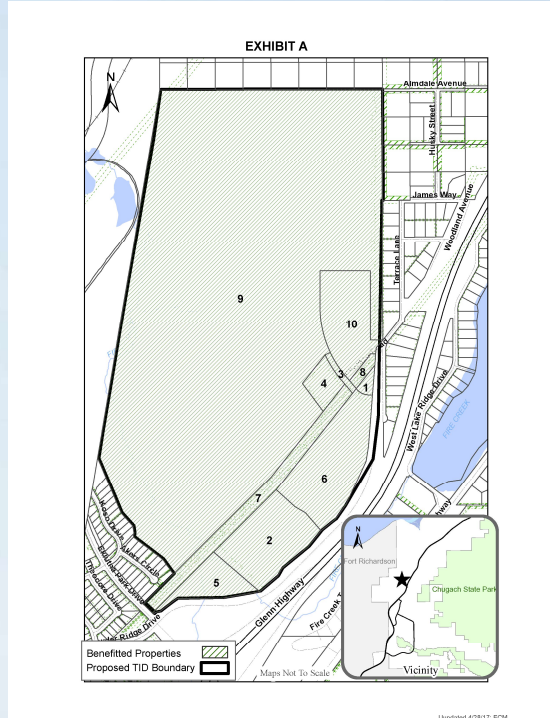
SETTLEMENT AGREEMENT

[EKLUTNA, INC. VS. MUNICIPALITY OF ANCHORAGE, Case No. 3AN-13-09759 CI]

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Assembly Resolutions

- AWWU to petition for Improvement Districts
- Powder Reserve & South Birchwood
- Eklutna Inc is over 51%
- AR 2017-375 (TID)
- AR 2017-376 (WTID)



2017-2023: Best Efforts

- Parties negotiate an Infrastructure Coordination Agreement
- Could not reach agreement on commercial terms
 - Repayment
 - Buildout schedule
 - Community involvement
 - Cost balloons
- Project rescope: relocated
 - Eklutna Inc. purchases ARR Parcels and moves away from Powder Reserve proper



Amendment to Settlement Agreement

- October 13, 2023
- Parties agree to move abbreviated settlement concepts from Powder Reserve to Powder Reserve West
- Obligations for Trunk and Transmission Infrastructure voided
- AWWU obligations to Powder Reserve West include Federal Grants
- Eklutna Inc will buildout using the AWWU Private Development Program



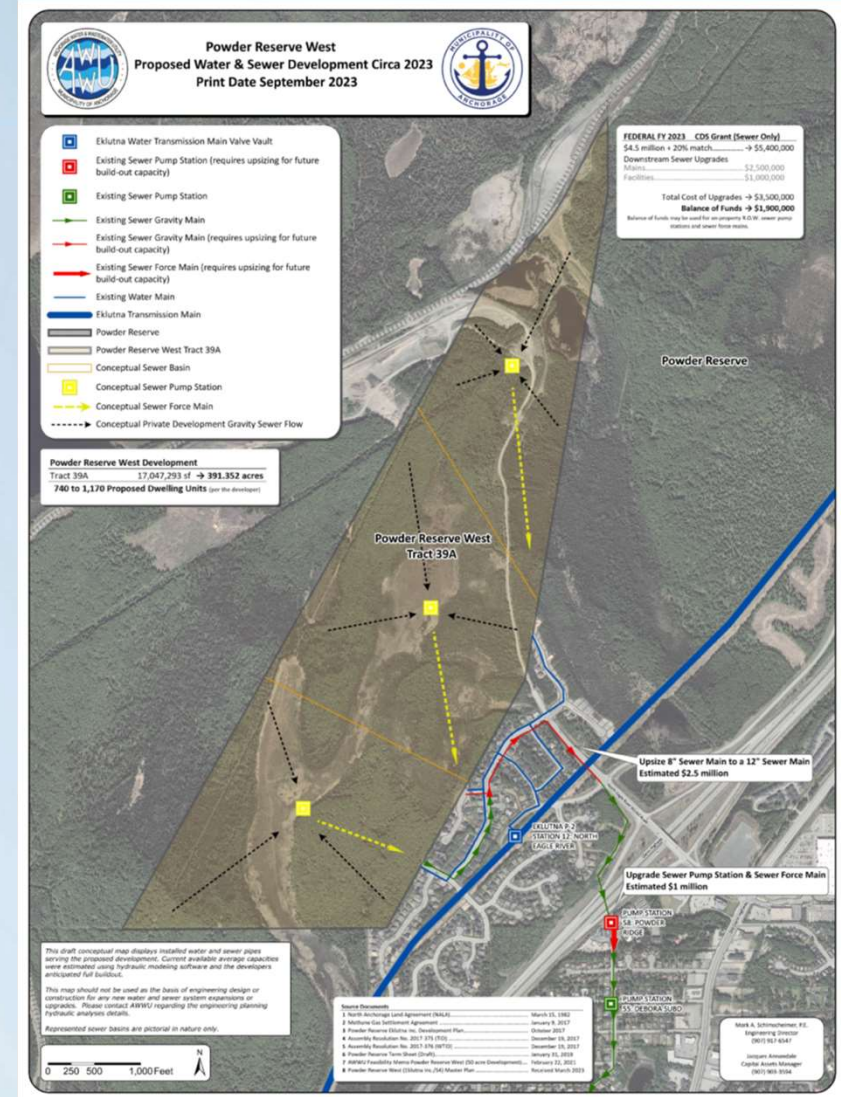
Moving Forward

- AWWU request Assembly repeal Resolutions
 - Rescind obligations
- AWWU / Eklutna Inc. work towards success of Powder Reserve West (1,400 units)
 - Federal Grant addresses downstream issues
 - Developer will have no off-site responsibilities



CDS PRW Grant Scope

- Funded FY 2023
- Sewer only
- \$4.5 million
- 20% match by AWWU
- To be delivered via PMO





King Street Fuel Storage Improvements

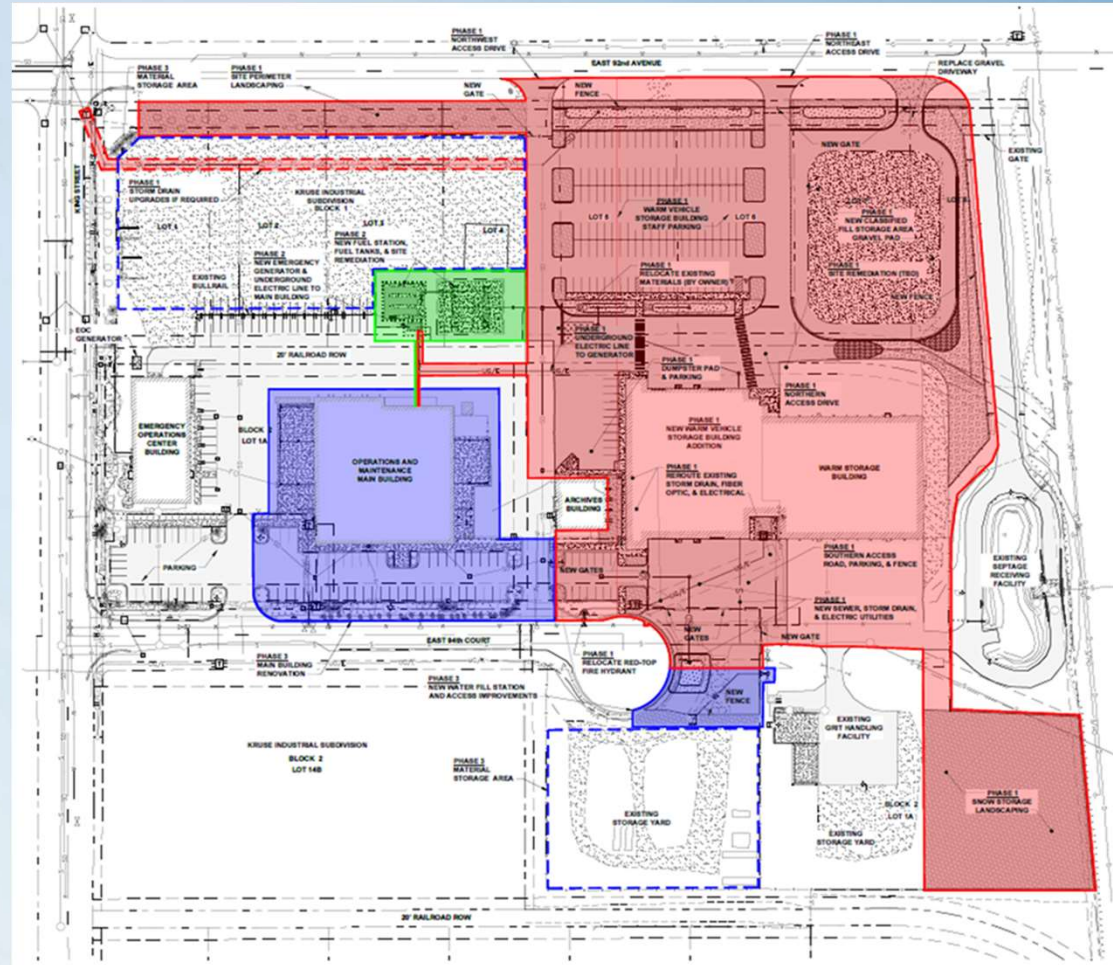
August 15, 2024

James Armstrong, P.E.

Project Manager, Engineering Division

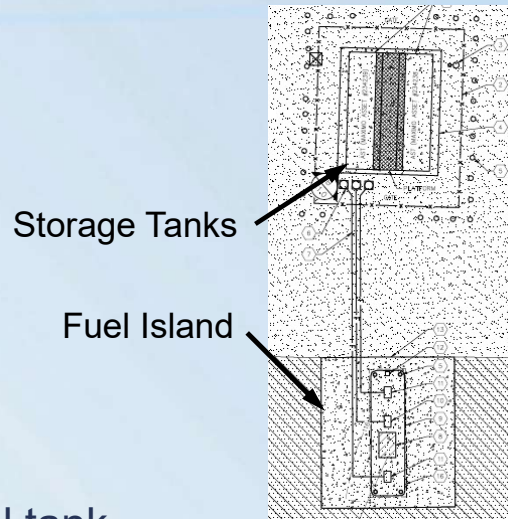
O&M King Street Facilities – Master Planning

- 2018 King Street Master Plan (\$ EAC)
 - Upgrade Fuel Island \$6MM
 - Install emergency power \$1MM
 - Increase vehicle warm storage \$40MM
 - Septage & Grit Improvement \$4MM
 - FOG Receiving Station \$12.5MM
 - Admin Building Remodel \$20MM

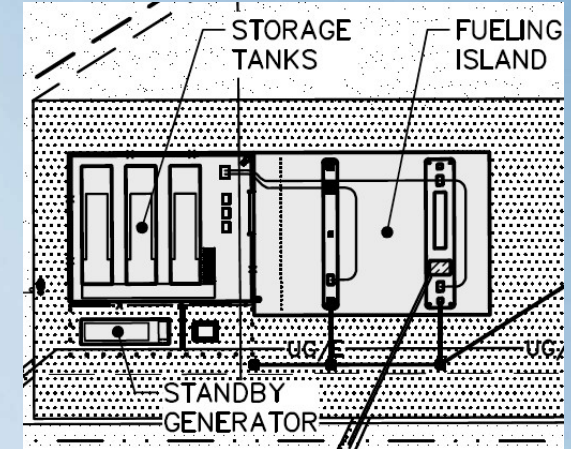


Fueling and backup Power Improvements

- Built in 1990
 - 2ea unleaded fuel pumps
 - 1ea diesel fuel pump
 - 2ea 10,000-gallon fuel tanks
- 2024 Project
 - 2ea unleaded fuel pump
 - 2ea high flow diesel pumps
 - 1ea unleaded 12K gallon fuel tank
 - 2ea diesel 12K gallon fuel tank
 - New storm drain system
 - New campus power generator
 - Contaminated soil handling



Existing Conditions



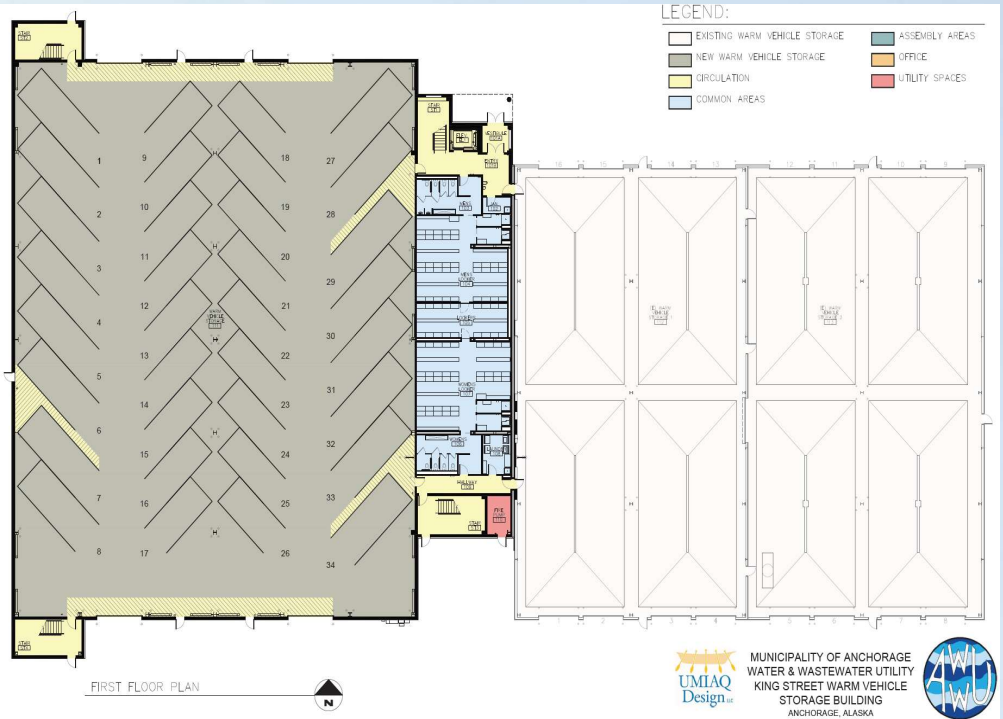
Proposed Improvements





Fueling and backup power improvements

- Special Conditions
 - Community Workforce Agreement (CWA) contract requirement
 - AO No. 2018-74 requires review for inclusion of a CWA for projects with over \$3.5MM in construction
 - CWA requirement approved and included in bid documents
 - Contaminated soil and water handling plan
 - ADEC approved plan to test and dispose of contaminated water and soil
 - Contract requirements to follow plan
 - Limit fuel outage to maintain emergency readiness






 MUNICIPALITY OF ANCHORAGE
 WATER & WASTEWATER UTILITY
 KING STREET WARM VEHICLE
 STORAGE BUILDING
 ANCHORAGE, ALASKA


 MUNICIPALITY OF ANCHORAGE
 WATER & WASTEWATER UTILITY
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Questions?

