

CLERK'S OFFICE

APPROVED

Date: 12-1-09

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Anchorage Water and
Wastewater Utility

For reading: November 17, 2009

**ANCHORAGE, ALASKA
AO No. 2009-138**

1 **AN ORDINANCE AUTHORIZING ACQUISITION OF REAL PROPERTY BY**
2 **ANCHORAGE WATER & WASTEWATER UTILITY OF AN APPROXIMATE**
3 **TWO (2) ACRE PORTION OF LOT 1A, BLOCK 1, KNIK HEIGHTS**
4 **SUBDIVISION WEST ADDITION, AT FAIR MARKET VALUE NOT TO EXCEED**
5 **\$216,000 FROM CHUGACH ELECTRIC ASSOCIATION FOR A PUBLIC**
6 **WATER RESERVOIR.**

7
8 **WHEREAS**, Municipality of Anchorage/Anchorage Water and Wastewater Utility
9 (AWWU) desires to acquire an approximate two (2) acre portion of the property
10 described as Lot 1A, Block 1, Knik Heights Subdivision West Addition, as shown
11 in Exhibit A; and

12
13 **WHEREAS**, AWWU intends for this acquisition to construct a public water
14 reservoir facility for the benefit of the public; and

15
16 **WHEREAS**, AMC section 25.20.010 states that, the municipality may acquire
17 real property for any public purpose, and

18
19 **WHEREAS**, at its November 4, 2009 meeting, the AWWU Authority Board
20 supported AWWU's request to purchase real property from Chugach Electric
21 Association, inc.; now therefore,

22
23 **THE ANCHORAGE ASSEMBLY ORDAINS:**

24
25 **Section 1.** AWWU is authorized to negotiate the purchase of an approximate
26 two (2) acre parcel of Lot 1A, Block 1, Knik Heights Subdivision West Addition,
27 currently owned by Chugach Electric Association, Inc.

28
29 **Section 2.** The purchase of the approximate two (2) acre parcel of Lot 1A,
30 Block 1, Knik Heights Subdivision West Addition, from Chugach Electric
31 Association, Inc. at fair market value is authorized by the Anchorage Municipal
32 Code and hereby approved.

33
34 **Section 3.** This ordinance shall be effective immediately upon passage and
35 approval by the Assembly.
36

Ordinance Authorizing Acquisition of a Portion of Lot 1A, Block 1, Knik Heights Subdivision
West Addition from Chugach Electric Association, Inc.

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PASSED and APPROVED by the Anchorage Assembly this 1st day of
December, 2009.

Debbi Ossianides
Chair of the Assembly

ATTEST:

Barbara S. Gruenke
Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2009-138

Title: AN ORDINANCE AUTHORIZING ACQUISITION OF REAL PROPERTY BY ANCHORAGE WATER & WASTEWATER UTILITY OF AN APPROXIMATE TWO (2) ACRE PORTION OF LOT 1A, BLOCK 1, KNIK HEIGHTS SUBDIVISION WEST ADDITION, AT FAIR MARKET VALUE NOT TO EXCEED \$216,000 FROM CHUGACH ELECTRIC ASSOCIATION FOR A PUBLIC WATER RESERVOIR

Sponsor: MAYOR
 Preparing Agency: AWWU
 Others Impacted: None

CHANGES IN REVENUES AND EXPENSES:		(In Thousands of Dollars)				
	FY09	FY10	FY11	FY12	FY13	
Operating Revenues:	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	
Operating Expenses:	\$ -	\$ -	\$ -	\$ -	\$ 20	
TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ 20	
Non-Operating Revenues:	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL NON-OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	
Non-Operating Expenses:	\$ -	\$ 216	\$ -	\$ -	\$ 10	
TOTAL NON-OPERATING EXPENSES	\$ -	\$ 216	\$ -	\$ -	\$ 10	
NET INCOME (REGULATED)	\$ -	\$ -	\$ -	\$ -	\$ -	
POSITIONS: FT/PT and Temp	0	0	0	0	0	

PUBLIC SECTOR ECONOMIC EFFECTS:

Expenditure is Capital Funding authorized, approved and appropriated under the AWWU 2008 Capital Improvement Budget, for Right-of-Way, funding source is bond. Property is being purchased as a location for a reservoir. Property and reservoir will not be placed in service and begin incurring operating expenses until approximately 2013.

PRIVATE SECTOR ECONOMIC EFFECTS:

Chugach Electric Association, Inc. will directly receive the payment from this action.

Prepared by: Bruce Robson, PE, Contract Project Manager, AW Telephone: 564-2709
 Approved by: Glenda Gibson, CPA, CFO, AWWU Date: _____
 Approved by: Mark Premo, General Manager, AWWU Date: _____
 (Director, Preparing Agency)
 Concurring by: _____ Date: _____
 (Director, Impacted Agency)
 Approved by: _____ Date: _____
 (Municipal Manager)

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 675-2009

Meeting Date: November 17, 2009

1 **From: Mayor**

2
3 **Subject: An Ordinance Authorizing the Acquisition of Real Property by the**
4 **Anchorage Water & Wastewater Utility of an Approximate two (2)**
5 **Acre Portion of Lot 1A, Block 1, Knik Heights Subdivision West**
6 **Addition, at Fair Market Value Not to Exceed \$216,000 from**
7 **Chugach Electric Association for a Public Water Reservoir**
8

9 In 2005 AWWU prepared an update to its Water Master Plan. The purpose of a water master
10 plan is to identify capital projects to improve the operations of the overall water system. The
11 historical water master plans focused on effectively moving bulk water to and around the
12 Anchorage Bowl. A key strategy in planning for the major infrastructure projects identified in
13 the Water Master Plan is to maximize leveraging the use of gravity flow from the Eklutna
14 Water Treatment Facility (EWTF) to serve the majority of the daily water demands throughout
15 Anchorage. Bulk water reservoirs are a significant portion of the major infrastructure
16 improvements and a consideration for meeting emergency needs and operational flexibility.
17

18 The 2005 Anchorage Water Master Plan developed preliminary transmission line sizes and
19 storage reservoir volumes based on a full build out of the entire Anchorage Bowl, which
20 includes portions of South Anchorage. The 2005 Water Master Plan identified several projects
21 in the area of South Anchorage to meet the needs of both South Anchorage and the Anchorage
22 Bowl. Leveraging the EWTF gravity flow plays a large role in these projects.
23

24 One project proposed for in South Anchorage is a five million gallon reservoir, to be located in
25 the general area south of Huffman Road to DeArmoun Road and east of Elmore Road. The
26 primary criteria for this reservoir is to be located: at an elevation of approximately 455 feet to
27 maximize the use of gravity flow; on a parcel of land of approximately two (2) acres; and in an
28 area that is generally acceptable to the surrounding neighborhoods. AWWU conducted a
29 technical review of the area and identified four potential sites for consideration. These options
30 were included in an extensive public process conducted for several projects in South
31 Anchorage. Input was received from a citizen advisory group consisting of representatives
32 from the key four local community councils, the Hillside District Plan Citizen Advisory
33 Committee, Home and Landowners Organization for the Anchorage Hillside (HALO) as well
34 as ad hoc local residents considered as key stakeholders. Consistent updates were also
35 provided to four community councils within the general area. As a result of this effort, the
36 primary site selected by the advisory group as well as by AWWU is a property located at the
37 southeast corner of Huffman Road & Elmore Road, under the ownership of Chugach Electric
38 Association, Inc. (CEA). Therefore, AWWU has been in negotiations with CEA for the
39 acquisition of this parcel of property, and both parties have come to an agreement for the

1 purchase, at fair market value, of an approximate two (2) acre portion of Lot 1A, Block 1, Knik
2 Heights Subdivision West Addition.

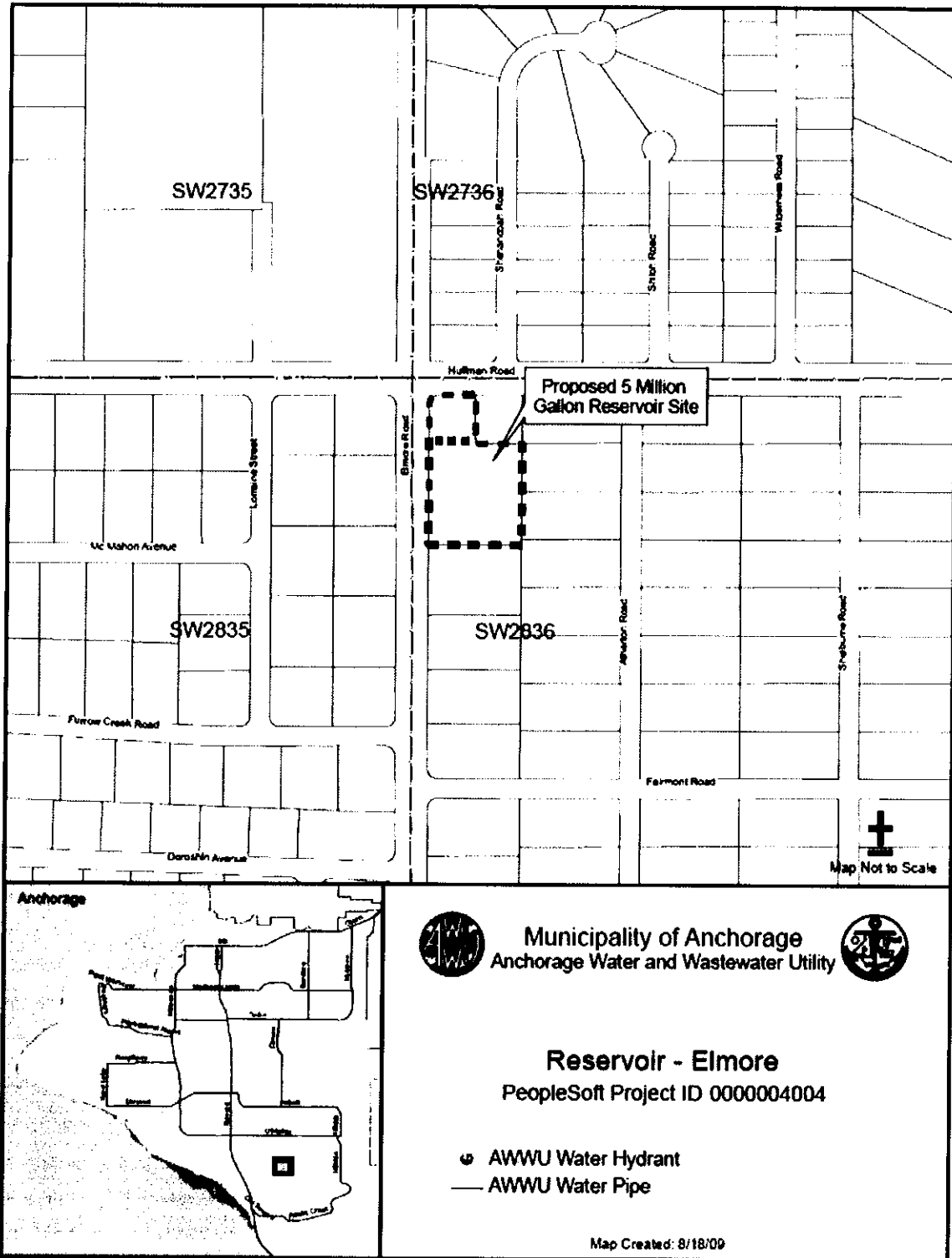
3
4 As a condition of the acquisition, AWWU will need to be able to secure approval of a
5 conditional use for the site, as well as both site plan and landscaping plan approval from the
6 Municipal Planning & Zoning Commission and the Urban Design Commission.

7
8 At its regular meeting of November 4, 2009, the AWWU Board of Directors endorsed this
9 acquisition of real property from Chugach Electric Association, Inc.

10
11 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
12 **AUTHORIZING ACQUISITION OF REAL PROPERTY BY ANCHORAGE**
13 **WATER & WASTEWATER UTILITY OF AN APPROXIMATE TWO (2) ACRE**
14 **PORTION OF LOT 1A, BLOCK 1, KNIK HEIGHTS SUBDIVISION WEST**
15 **ADDITION, AT FAIR MARKET VALUE NOT TO EXCEED \$216,000 FROM**
16 **CHUGACH ELECTRIC ASSOCIATION FOR A PUBLIC WATER RESERVOIR.**

17
18 Prepared by: Anchorage Water and Wastewater Utility
19 Approved by: Mark Premo, P.E., General Manager, AWWU
20 Recommended by: William M. Mehner, Executive Director, Heritage Land Bank
21 Fund Concurrence: Lucinda Mahoney, Chief Financial Officer
22 Concur: George J. Vakalis, Municipal Manager
23 Respectfully submitted: Daniel A. Sullivan, Mayor
24

Exhibit A



Content ID: 008389**Type:** Ordinance - AO

Title: AN ORDINANCE AUTHORIZING ACQUISITION OF REAL PROPERTY BY ANCHORAGE WATER & WASTEWATER UTILITY OF AN APPROXIMATE TWO (2) ACRE PORTION OF LOT 1A, BLOCK 1, KNIK HEIGHTS SUBDIVISION WEST ADDITION, AT FAIR MARKET VALUE NOT TO EXCEED \$216,000 FROM CHUGACH ELECTRIC ASSOCIATION FOR A PUBLIC WATER RESERVOIR

Author: maglauijp**Initiating Dept:** AWWU**Review Depts:** HLB**Date Prepared:** 11/6/09 2:37 PM**Director Name:** Mark Premo**Assembly Meeting Date:** 11/17/09 12:00 AM**Public Hearing Date:** 12/1/09 12:00 AM

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	11/13/09 1:07 PM	Exit	Joy Maglaqui	Public	008389
MuniManager_SubWorkflow	11/13/09 1:07 PM	Approve	Joy Maglaqui	Public	008389
MuniManager_SubWorkflow	11/13/09 12:07 PM	Checkin	Joy Maglaqui	Public	008389
Legal_SubWorkflow	11/13/09 12:02 PM	Approve	Dean Gates	Public	008389
Finance_SubWorkflow	11/10/09 1:34 PM	Approve	Ross Risvold	Public	008389
OMB_SubWorkflow	11/10/09 9:00 AM	Approve	Cheryl Frasca	Public	008389
HLB_SubWorkflow	11/9/09 5:05 PM	Approve	William Mehner	Public	008389
AWWU_SubWorkflow	11/9/09 4:54 PM	Approve	Mark Premo	Public	008389
AllOrdinanceWorkflow	11/9/09 4:53 PM	Checkin	Alyssa Gibson	Public	008389
OMB_SubWorkflow	11/9/09 11:41 AM	Reject	Cheryl Frasca	Public	008389
HLB_SubWorkflow	11/6/09 3:40 PM	Approve	William Mehner	Public	008389
AWWU_SubWorkflow	11/6/09 2:59 PM	Approve	Mark Premo	Public	008389
AllOrdinanceWorkflow	11/6/09 2:51 PM	Checkin	Alyssa Gibson	Public	008389
AWWU_SubWorkflow	11/6/09 2:48 PM	Reject	Mark Premo	Public	008389
AllOrdinanceWorkflow	11/6/09 2:39 PM	Checkin	Alyssa Gibson	Public	008389