Municipality of Anchorage

2025 Proposed
Municipal Utilities / Enterprise
and
Anchorage Community Development Authority
Operating and Capital Budgets

Suzanne LaFrance, Mayor
Anchorage, Alaska

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Mayor Suzanne LaFrance
Municipality of Anchorage

October 2, 2024

Dear community of Anchorage,

Enclosed are the 2025 Municipal Utilities and Enterprise Department operating budgets and capital budgets and programs.

The Municipality's Utilities and Enterprise Departments deliver the core services our community relies on. From clean drinking water, to waste disposal, to the delivery of food and goods through the Port, to access in and out of Anchorage at Merrill Field, our utilities and enterprises are key to the function of the Municipality and, in many cases, to the state.

Anchorage Hydropower welcomed a new director in 2024 and has been critical to advancing a proposal to the Governor on Eklutna in accordance with the 1991 Fish and Wildlife Agreement.

Anchorage Water and Wastewater Utility (AWWU) is the largest water and wastewater utility in Alaska, serving over 200,000 Anchorage residents and maintaining over 325,000 square feet of facility space distributed throughout the Municipality. AWWU continues to provide high-quality water and wastewater service to the residents of Anchorage while also expanding its innovative work around alternative energy and infrastructure improvements.

Merrill Field Airport occupies over 400 acres adjacent to downtown Anchorage, providing a critical entry point to Anchorage for the state and beyond. The airport will celebrate 95 years of operation in 2025, with a renewed focus on safety, community partnership, and economic development.

Solid Waste Services (SWS) has opened several key facilities in recent years, including the Central Transfer Station, the Anchorage Regional Landfill Administration building, a new Materials Recovery Facility, and, most recently, the Central Wood Lot. These facilities are improving safety and service delivery for the people of Anchorage.

The Don Young Port of Alaska remains the largest and most versatile port in Alaska, handling three-quarters of the state's shipping containers and serving 90% of its population. Progress on the Port of Alaska Modernization Project has continued through 2024 and will focus in 2025 on proceeding toward construction of the new Cargo Terminal 1.

The enclosed budgets reflect the critical work ahead. I am committed to working alongside our Utilities and Enterprise Departments to ensure core service delivery to the people of Anchorage.

Suzanne LaFrance
Mayor of Anchorage

Municipality of Anchorage

Suzanne LaFrance, Mayor

Assembly

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District 1, North Anchorage

Anna Brawley
District 3, West Anchorage

Karen Bronga
District 5, East Anchorage

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District 6, South Anchorage

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District 2, Chugiak Eagle River

George Martinez
District 5, East Anchorage

Scott Meyers
District 2, Chugiak Eagle River

Kameron Perez-Verdia
District 3, West Anchorage

Felix Rivera
District 4, Midtown

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District 6, South Anchorage

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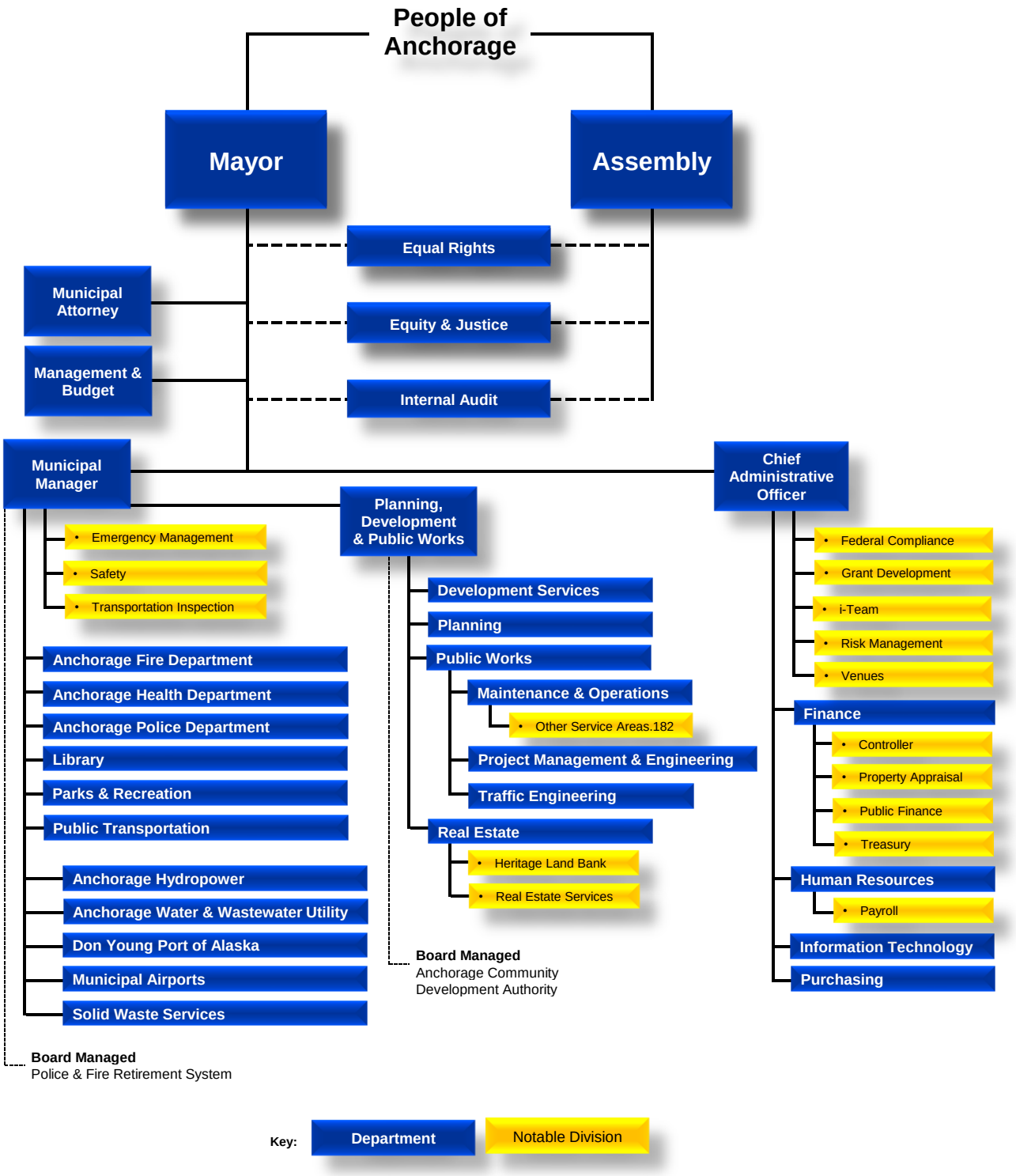
Municipality of Anchorage



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Utility/Enterprise Budget Overview

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. The Office of Management & Budget (OMB) works closely with the utility/enterprise departments to present the budgetary needs and align with the Mayor's priorities and policies, all together setting the path for success.

The Mayor's 2025 Budgets for the utility/enterprise departments include the priorities; of keeping rates low while prioritizing capital projects, continuing to provide efficient and imperative life-safety services. The Directors worked to propose a budget that included contractual increases, increased costs of chemicals, increased cost for a new Solid Waste Central Transfer Station, and ensures debt requirements are met.

In 2024, every department is projecting to manage within their approved budget and end the year with a positive net income, just as they achieved in prior years. Details of these accomplishments are included in the department sections of this book.

Utility/Enterprise Departments
Anchorage Hydropower, Anchorage Water & Wastewater (AWWU), and Solid Waste Services (SWS) are utility departments; Municipal Airports (Merrill Field) 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 municipally owned utilities and enterprise departments.

The goal of the utility/enterprise departments is to continue to provide quality service at reasonable rates. These departments continue to meet debt service requirements, 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
Infrastructure, Enterprise, and Utility Oversight Committee-of-the-Whole – The Assembly Infrastructure, Enterprise, and Utility Oversight Committee reviews and makes recommendations regarding the operations and budgets of the Municipality's utility/enterprise activities: Anchorage Hydropower, Anchorage Water & Wastewater (AWWU), Solid Waste Services (SWS), the Port of Alaska, Merrill Field, Anchorage Community Development Association (ACDA), Public Works, Maintenance and Operations, and Project Management and Engineering. Additionally, the Assembly Infrastructure, Enterprise, and Utility Oversight Committee reviews and makes recommendations regarding the operations and budgets of the Municipality's utility/enterprise activities. The website for this committee: Assembly Infrastructure, Enterprise, and Utility Oversight Committee (muni.org)

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

Current board members and information can be found at: Board of Directors | Anchorage Water and Wastewater Utility (awwu.biz).

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) – the Assembly 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. Meeting information for this board can be found at: Events (muni.org).

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. The RCA website includes current filings for the municipality's regulated utilities at: Regulatory Commission of Alaska.

Solid Waste and Recycling Advisory Commission (AMC 4.70.010, 4.70.040) – the Assembly established this commission to provide guidance to the Mayor and Assembly regarding each Solid Waste entity's strategic plan, budget, policies, economic impacts, expansions, and improvements. Furthermore, the commission conducts 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. Solid Waste and Recycling Advisory Commission (muni.org).

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 and reflect the cost of doing business. Non-operating expenses are incurred by activities outside of operations such as: interest expense, debt issuance costs, and amortization 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.); transfers to others; 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 mill 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 retains 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 fiscal year. A resolution reducing or increasing appropriations by an amount more than $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, 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 discusses the Mayor's proposal.

Public Engagement
The budget books are available on the Office of Management & 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 authority 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, transfers, and revenues compared to budget. An explanation is required for any variance of +/-5%. Budget to actuals report for travel and the grants to nonprofit organizations are provided to the Assembly, separately (AMC 6.10.034).

Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
DRAFT 2025 Budget Preparation Calendar at October 1, 2024

Action	Date	Ref	Category
Community Council Surveys Available Online	15-Mar		Capital
Rollover of QuesticaBudget (prior-year revised to budget-year proposed operating and capital)	20-Jun		All
Community Council Surveys due to OMB	29-Jun		Capital
Questica budget available to departments	8-Jul		All
Trainings/Review - OMB and departments - Mayor's guidance, QB, SAP, budget process, personnel review, etc.	Jul 1 - 31		All
OMB distributes Mayor's guidance and priorities to departments to include: operating, O&M schedules, Service Area budgets, PVRs, and CIB/CIP etc.	26-Jul		All
Controller to provide to OMB for all departments: interfund loan schedules	31-Jul		All
Public Finance to provide to OMB, for all departments: bond P&I projections, debt schedules, bond payouts for next year, cash pool impacts/investment earnings, etc.	2-Aug		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.	7-Aug		All
AEDC to provide data for Six-Year Fiscal Program	8-Aug		Operating
OMB sends *preliminary* utility/enterprise 8 year summaries, revenue/expense statements, with focus on: debt, debt/equity ratios, etc. to	8-Aug		Util/Ent
OMB compiles summaries of department budget changes for review	9-Aug		All
OMB sends *preliminary* CIB - Bonds to Finance for bond counsel review	9-Aug		Capital
Mayor meets with departments and reviews budget proposals	Aug 13 - 23		All
Treasury to provide to OMB: preliminary revenue projections and also data for Six-Year Fiscal Program	14-Aug		Operating
Finance to provide to OMB: fund balance, bond rating, and financial strategies data for appendices and Six-Year Fiscal Program	14-Aug		Operating
Public Finance to provide to OMB: review of utility/enterprise 8 year summaries, revenue/expense statements, with focus on: debt, debt/equity ratios, etc.	15-Aug		Util/Ent
Public Finance to provide to OMB: bond counsel review impacts	16-Aug		Capital
OMB discussions with Mayor and Execs	Aug 21 - 28		All
Reorganization decisions due	23-Aug		Operating
OMB sends *preliminary* 120 Day Memo to Mayor for review	26-Aug		Operating
Mayor's decisions on *preliminary* 120 Day Memo	28-Aug		Operating
Mayor's decisions on Utility/Enterprise budgets to OMB	28-Aug		Util/Ent
Initial assessed value projection due to OMB from Prop. Appraisal	28-Aug		Operating
("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)	**30-Aug**	**(A)**	**All**
Mayor's final decisions on operating budget before IGC calculations	4-Sep		Operating
Mayor's decisions on proposed CIB/CIP to OMB	4-Sep		Capital
Assembly Worksession - 120 Day Memo	**6-Sep**		**All**
OMB Completes Proposed CIB/CIP book for Exec Review	6-Sep		Capital
OMB run IGCs	6-Sep		Operating
Mayor's final decisions on operating budget after IGC calculations	10-Sep		Operating
OMB Completes Proposed Utility/Enterprise book for Exec Review	10-Sep		Util/Ent
Exec final decisions on Proposed CIB/CIP book	12-Sep		Capital
Exec final decisions on Proposed Utility/Enterprise book	18-Sep		Util/Ent
OMB completes GG operating budget books and Six-Year Fiscal Program for Exec Review	18-Sep		Operating

Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
DRAFT 2025 Budget Preparation Calendar at October 1, 2024

Action	Date	Ref	Category
OMB finalizes Proposed CIB/CIP book and Assembly documents	20-Sep		Capital
OMB finalizes Proposed Utility/Enterprise book and Assembly documents	25-Sep		Util/Ent
Exec final decisions on Proposed GG operating budget books and Six-Year Fiscal Program	25-Sep		Operating
OMB finalizes GG operating budget books and Six-Year Fiscal Program	30-Sep		Operating
OMB completes assembly documents for GG operating budgets and Six-Year Fiscal Program	30-Sep		Operating
OMB submits budgets and Six-Year Fiscal Program to Assembly and online (NLT October 2)	**2-Oct**	**(B)**	**All**
Formal introduction of Mayor's budgets to Assembly	8-Oct		All
Assembly Worksession 1 of 2 - General Government Operating & Capital	11-Oct		All
Planning & Zoning Commission recommendations on CIB/CIP; (first Monday after Assembly introduction of Mayor's CIB/CIP)	21-Oct		Capital
Assembly Public Hearing # 1 on proposed budgets	22-Oct	**(C)**	All
Assembly Worksession 2 of 2 - General Government Operating & Capital	25-Oct		All
Assembly Public Hearing # 2 on proposed budgets	6-Nov		All
Assembly Worksession - Assembly proposed amendments	15-Nov		All
Administration prepares S-Version	18-Nov		All
Assembly Budget Approval Meeting - Assembly amendments and adoption of budgets	19-Nov	**(D)**	All
OMB upload adopted budget into SAP for budget year use	20-Nov		Operating

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 the adoption of the budget.

D

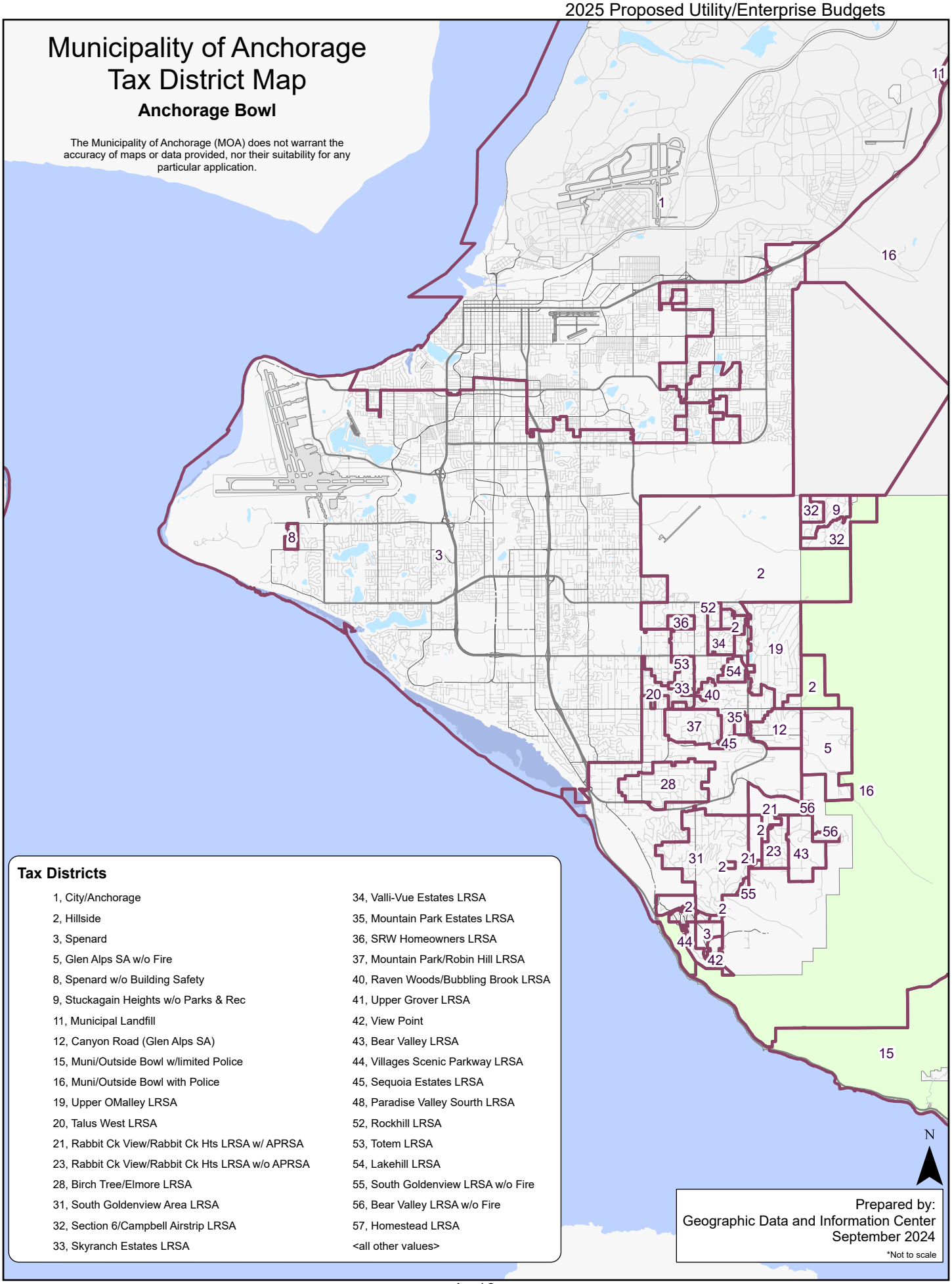
6.10.040 Submittal and adoption of municipal operating and capital budget.

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.

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
<all other values>

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Geographic Data and Information Center
September 2024
*Not to scale

Municipality of Anchorage Tax District Map

Chugiak - Eagle River

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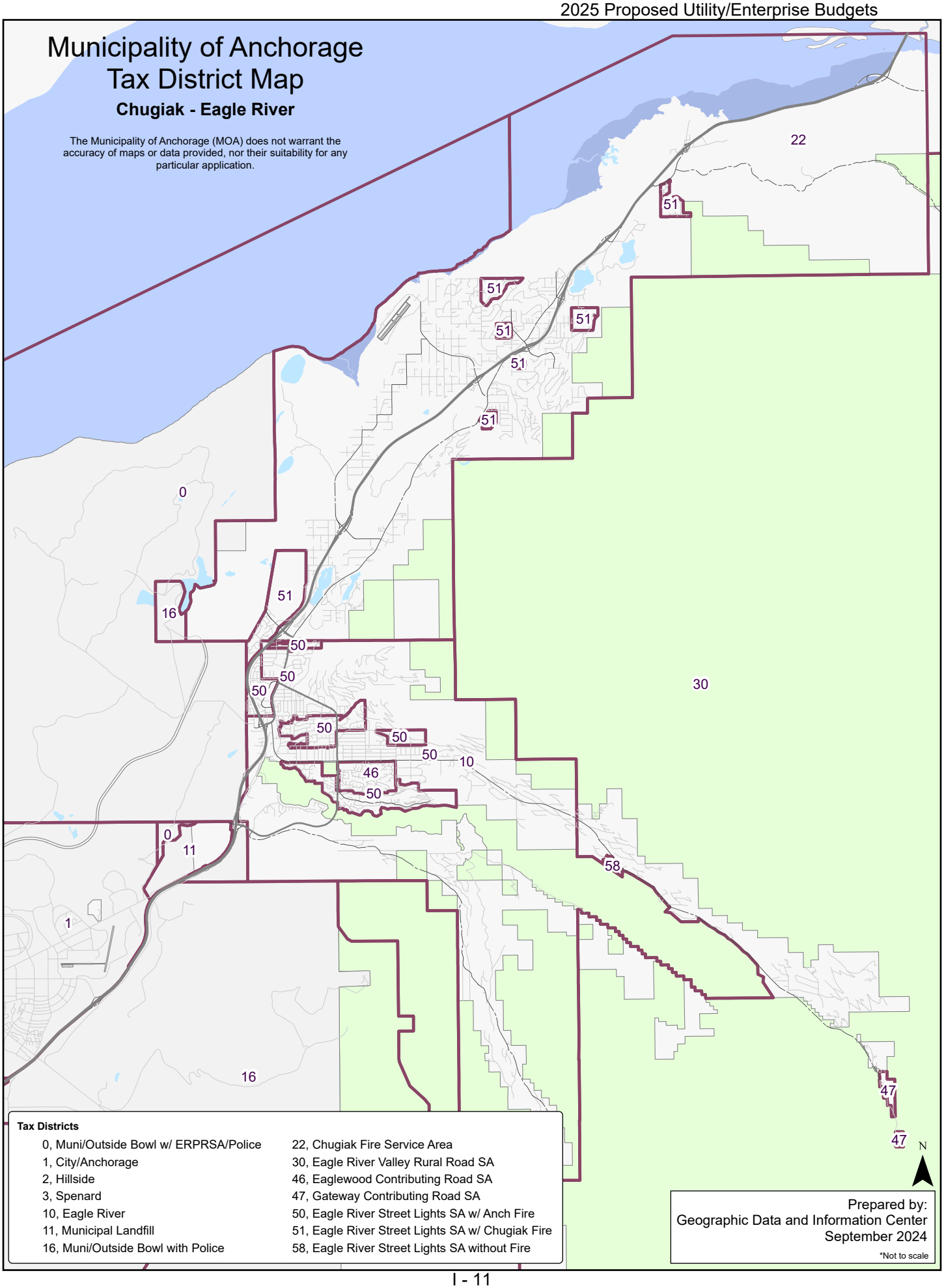
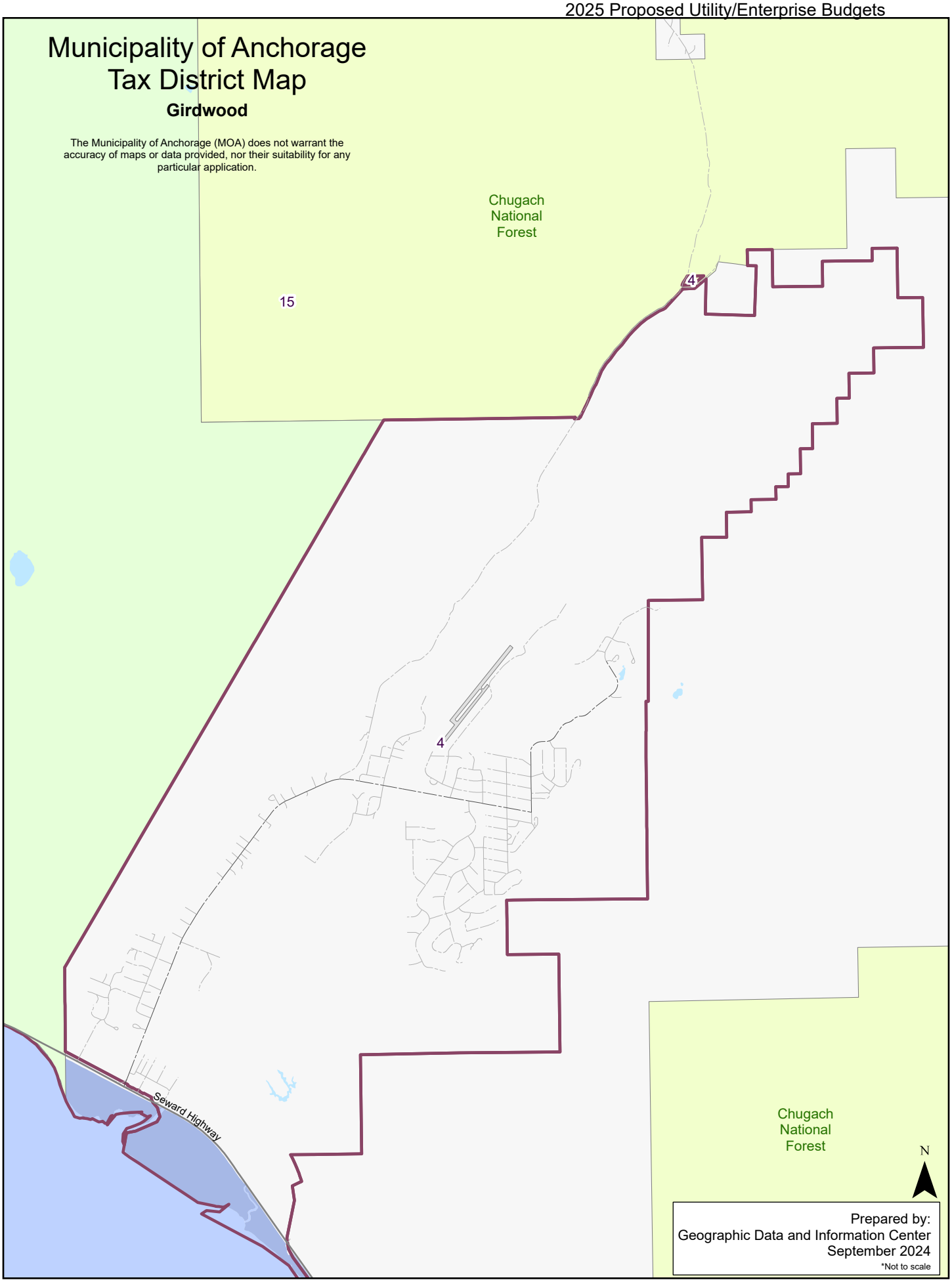


Tax Districts

- 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

Prepared by:
Geographic Data and Information Center
September 2024
*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 2024
*Not to scale

Anchorage Hydropower Utility

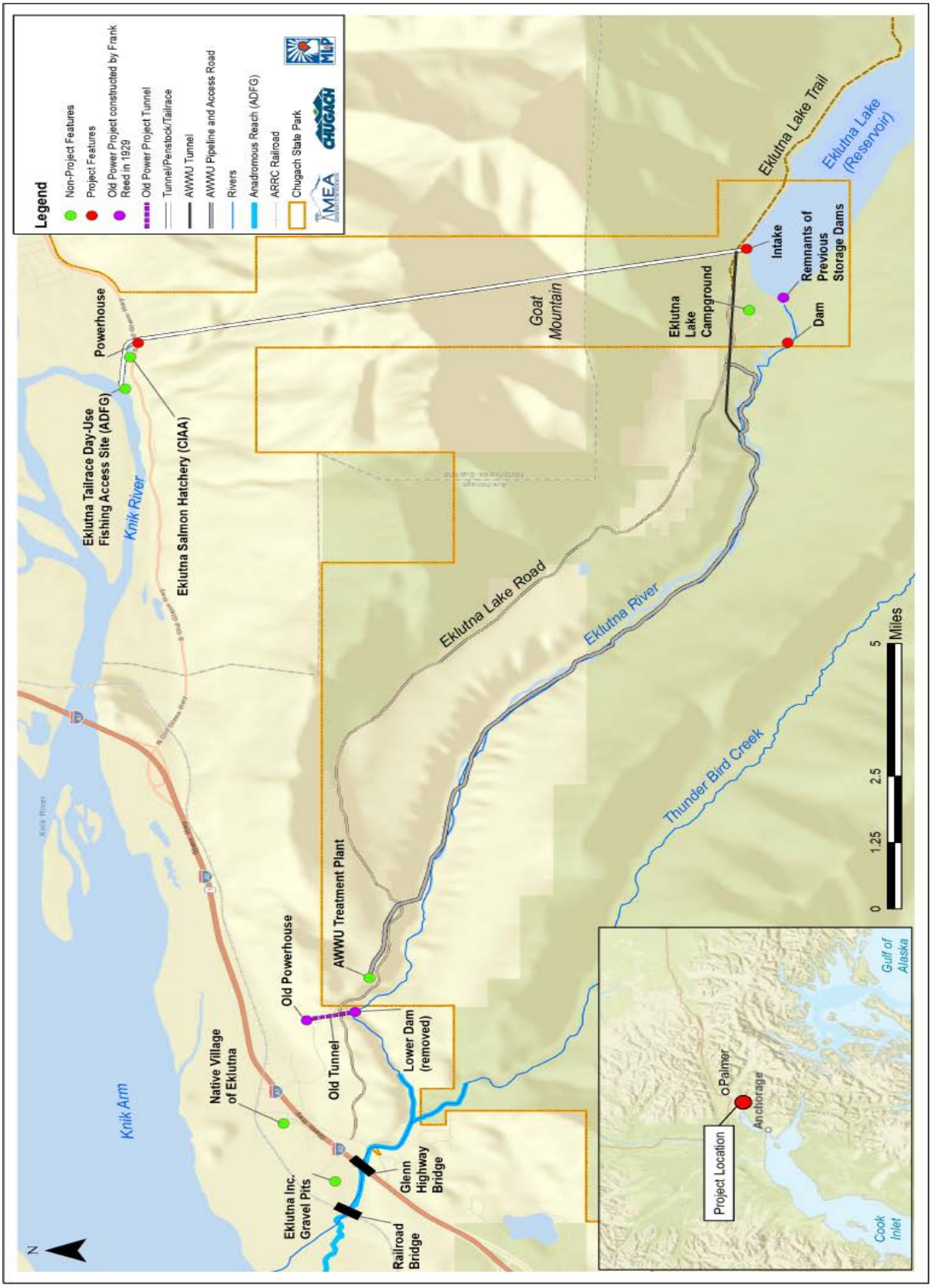
Anchorage Hydropower Utility
Organizational Overview

The Anchorage Hydropower Utility is an enterprise 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 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/


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
Eklutna Lake Trail
Eklutna Lake (Reservoir)
Intake
Remnants of Previous Storage Dams
Dam
Eklutna Lake Campground
Goat Mountain
Powerhouse
Eklutna Tailrace Day-Use Fishing Access Site (ADFG)
Eklutna Salmon Hatchery (CIAA)
Knik River
Eklutna Lake Road
Eklutna River
Thunder Bird Creek
AWWU Treatment Plant
Old Powerhouse
Old Tunnel
Lower Dam (removed)
Native Village of Eklutna
Knik Arm
Eklutna Inc. Gravel Pits
Glenn Highway Bridge
Railroad Bridge
N
0
1.25
2.5
5
Miles
Project Location
Palmer
Anchorage
Gulf of Alaska
Cook Inlet

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 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.
- Retain 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.

The Eklutna Lake is the main source of Anchorage's drinking water and a major source of electricity via a hydroelectric dam that diverts almost all of the water that used to comprise the Eklutna River. 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.

Anchorage Municipal Code (AMC) section 26.10.068 provides that revenue received from CEA Power Purchase Agreement (PPA) 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
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 11, 2023. 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	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	5,344	4,844	4,914	4,962	5,007	5,052	5,097	5,142
Expenses and Transfers [1]	3,407	3,889	5,987	6,036	6,085	6,134	6,183	6,232
Net Income(Loss)	**1,937**	**955**	**(1,073)**	**(1,074)**	**(1,078)**	**(1,082)**	**(1,086)**	**(1,090)**
Charges by/to Other Departments	35	36	35	36	37	38	39	40
Dividend to General Government	300	300	1,000	300	300	300	300	300
Transfers to General Government [2]	**335**	**336**	**1,035**	**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	5,200	10,900	9,827	8,753	7,675	6,593	5,507	4,417
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

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Wholesale Power Sales	2,016,174	1,615,991	-	1,615,991	16,160	1,632,151	1.00%
Water Diversion Income	284,247	270,614	(20,614)	250,000	-	250,000	0.00%
Total Operating Revenue	**2,300,421**	**1,886,605**	**(20,614)**	**1,865,991**	**16,160**	**1,882,151**	**0.87%**
Non Operating Revenue							
Chugach Revenues	2,565,103	2,588,597	(0)	2,588,597	25,886	2,614,483	1.00%
Investment Income	478,157	369,000	-	369,000	48,000	417,000	13.01%
Other Income	-	24	(24)	-	-	-	0.00%
Total Non Operating Revenue	**3,043,260**	**2,957,621**	**(24)**	**2,957,597**	**73,886**	**3,031,483**	2.50%
Total Revenue	**5,343,681**	**4,844,226**	**(20,638)**	**4,823,588**	**90,046**	**4,913,634**	**1.87%**
Operating Expense							
Salaries and Benefits	-	25,000	163,609	188,609	595	189,204	0.32%
Overtime	-	-	-	-	-	-	0.00%
Total Labor	-	25,000	163,609	188,609	595	189,204	0.32%
Supplies	-	-	3,000	3,000	(3,000)	-	-100.00%
Travel	-	-	24,000	24,000	(24,000)	-	-100.00%
Contractual/Other Services	206,667	207,039	66,961	274,000	(60,000)	214,000	-21.90%
Equipment/Furnishings	-	-	30,000	30,000	(30,000)	-	-100.00%
Transfers to Other Funds	2,562,967	3,020,030	(431,433)	2,588,597	1,658,037	4,246,634	64.05%
Dividend to General Government	300,000	300,000	-	300,000	700,000	1,000,000	233.33%
Manageable Direct Cost Total	3,069,634	3,527,069	(307,472)	3,219,597	2,241,037	5,460,634	69.61%
Municipal Enterprise/Utility Service Assessment	-	-	-	-	-	-	0.00%
Depreciation/Amortization	302,276	301,362	-	301,362	-	301,362	0.00%
Non-Manageable Direct Cost Total	302,276	301,362	-	301,362	-	301,362	0.00%
Charges by/to Other Departments	34,954	35,711	-	35,711	(395)	35,316	-1.11%
Total Operating Expense	**3,406,864**	**3,889,142**	**(143,863)**	**3,745,279**	**2,241,237**	**5,986,516**	**59.84%**
Non Operating Expense							
Total Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Total Expense	**3,406,864**	**3,889,142**	**(143,863)**	**3,745,279**	**2,241,237**	**5,986,516**	**59.84%**
Net Income (Loss)	**1,936,817**	**955,084**	**123,225**	**1,078,309**	**(2,151,191)**	**(1,072,882)**	**-199.50%**
Appropriation:							
Total Expense		**3,889,142**	**(143,863)**	**3,745,279**	**2,241,237**	**5,986,516**	**59.84%**
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)		**3,588,176**	**(144,259)**	**3,443,917**	**2,241,237**	**5,685,154**	**65.08%**

Anchorage Hydropower Utility
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**3,443,917**	**1**	**-**	**-**
2024 One-Time Requirements				
- REVERSE 2024 1Q ONE-TIME Furniture	(30,000)	-	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	(395)	-	-	-
- Transfer to Other Funds	1,658,037	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	595	-	-	-
2025 Continuation Level	**5,072,154**	**1**	**-**	**-**
Transfers (to)/from Other Agencies				
- Dividend to General Government	700,000	-	-	-
2025 Proposed Budget Changes				
- Office Supplies	(3,000)	-	-	-
- Office Lease Space	(60,000)	-	-	-
- Travel	(24,000)	-	-	-
2025 Proposed Budget	**5,685,154**	**1**	**-**	**-**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2025 Proposed Budget (Appropriation)	**5,685,154**	**1**	**-**	**-**
	2025 Proposed FTE			
	1.0	**1.0**	**-**	**-**

Anchorage Hydropower Utility
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Fish & Wildlife	-	-	-	325	325
Total	**-**	**-**	**-**	**325**	**325**

Anchorage Hydropower Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Plant						
Fish & Wildlife	2025	-	-	-	325	325
	2026	-	-	-	325	325
	2027	-	-	-	325	325
	2028	-	-	-	325	325
	2029	-	-	-	325	325
	2030	-	-	-	325	325
		-	-	-	1,950	1,950
	Total	**-**	**-**	**-**	**1,950**	**1,950**

Fish & Wildlife

Project ID	2021003	**Department**	Anchorage Hydropower Utility
Project Type	Rehabilitation	**Start Date**	January 2021
District		**End Date**	December 2030

Community Council

Description

Fish and Wildlife costs are for the development of studies required by the agreement.

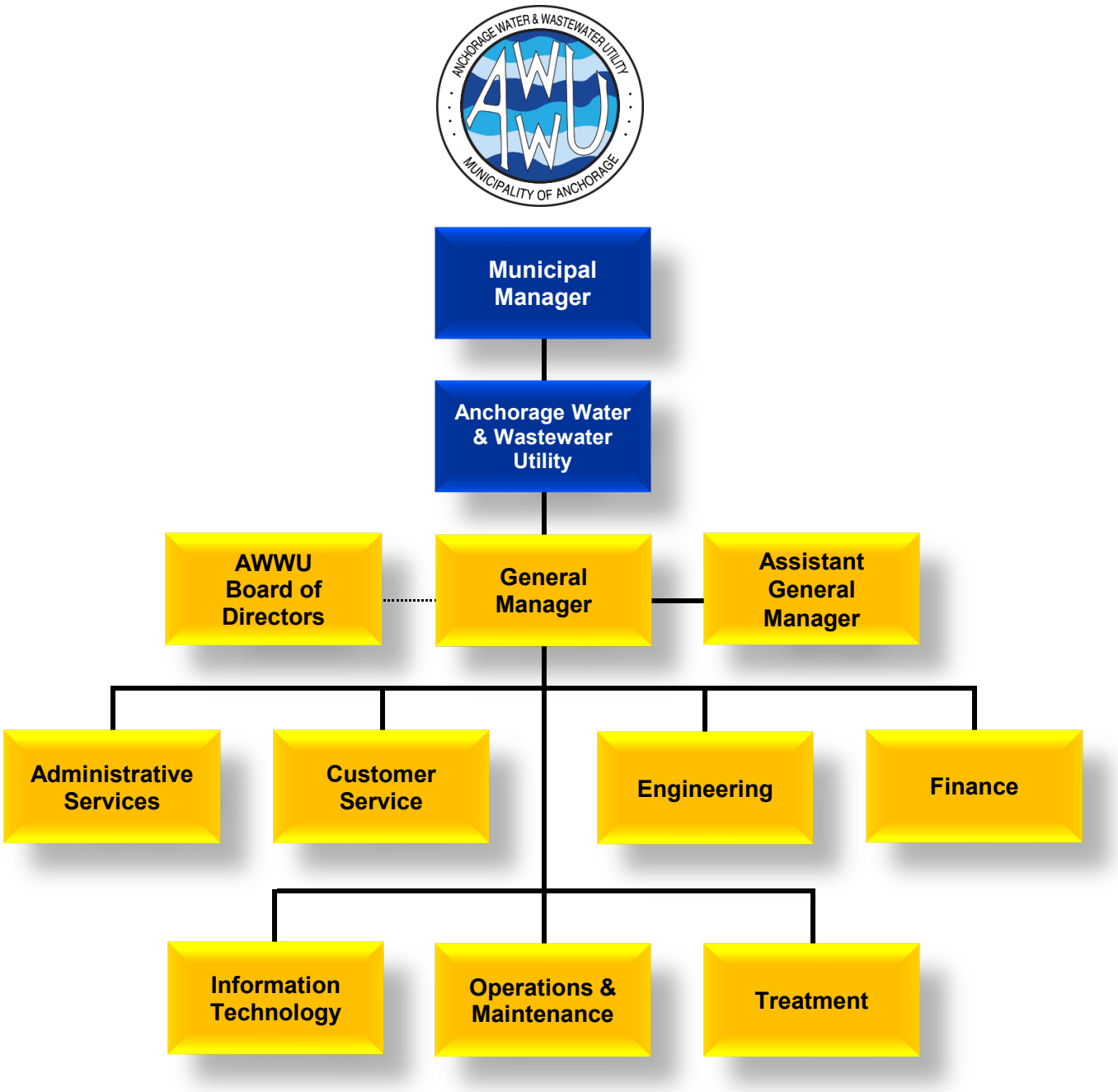
Comments

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**

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 56,600 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 57,700 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 92% 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. AWWU is working with the EPA on permit renewal with ongoing efforts including additional data collection, mixing zone study, and other efforts to support the permit renewal.

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.

Asplund Facility

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 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.

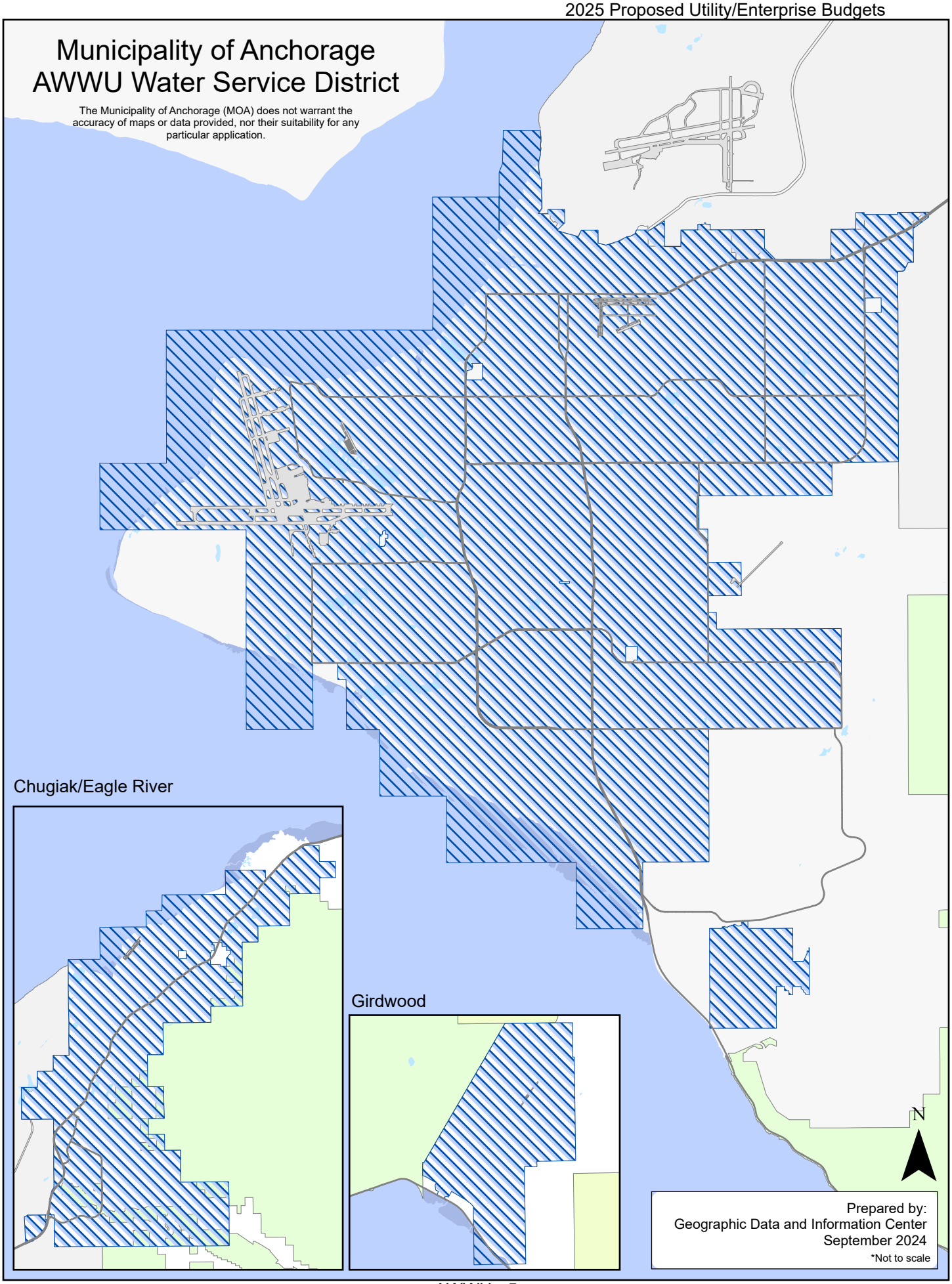
Over the past decade, investments in physical infrastructure have resulted in an increase in the value of AWU and ASU. From 2010 to present, total plant in service has increased by 32.0% from $709.3 million to $936.3 million for AWU and by 38.3% from $554.6 million to $767.0 million for ASU. This growth 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 environmental 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.

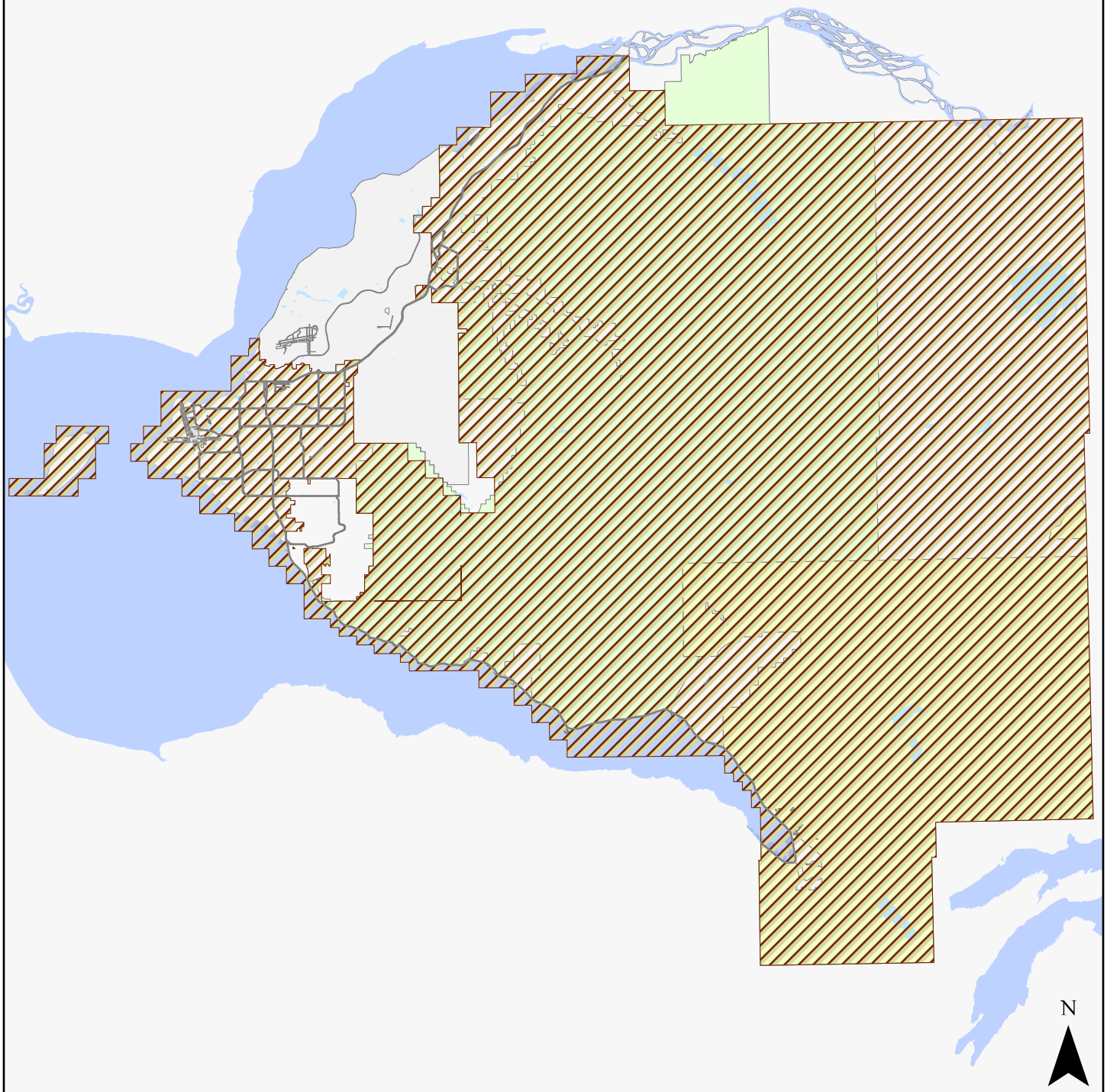
Municipality of Anchorage
AWWU Water Service District

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



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
September 2024
*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 the performance of Anchorage Water and Wastewater Utility's (AWWU's) treatment facilities and determine if changes in system operation or maintenance are required.

Results

		2024				Past Years					
Measure 1: Compliance with all State and Federal drinking water, wastewater, and clean air standards	**Goal**	**Q4**	**Q3**	**Q2**	**Q1**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Safe Drinking Water Act Compliance (%)				100	100	100	100	100	100	100	99.8
Clean Water Act (NPDES permit) Compliance (%)				100	99.59	99.96	99.81	100	100	100	100
-Asplund				100	100	99.93	99.94	99.95	99.6	97.8	99.7
-Eagle River				100	100	100	99.88	99.93	98.95	99.7	99.3
-Girdwood				100	99.76	99.94	99.63	99.48	99.43	99.4	100
Clean Air Act Compliance (%) (Asplund Incinerator)				99.99	99.99	99.98	100	100	99.99	100	100

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 show water outages numerically and graphically.

Used By
The Operations and Maintenance (O&M) Division, Customer Service Division, Strategic Asset Services Section, and 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)	2024 (monthly average)	4th Q 2024 (monthly average)	3rd Q 2024 (monthly average)	2nd Q 2024 (monthly average)	1st Q 2024 (monthly average)	Historical monthly average				
							2023	2022	2021	2020	2019
Planned Outages											
<4 hours	<20				1	0	3	3	1	30	11
4-12 hours	<20				33	1	2	6	10	23	37
>12 hours	0				0	0	0	0	3	0	0
Unplanned Outages											
<4 hours	<20				4	11	26	23	34	63	17
4-12 hours	<50				34	15	28	15	28	32	36
>12 hours	0				0	0	4	1	3	3	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 U.S. Environmental Protection Agency (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, Strategic Asset Services Section, and General Manager will review these data monthly to evaluate adequacy of operation and maintenance approaches, customer service response, and pipe condition.

Results

		2024				Historical monthly average					
	Goal	Q4	Q3	Q2	Q1	2023	2022	2021	2020	2019	2018
Measure 3: Sanitary Sewer Overflows (monthly)	<1.5			2.33	0.67	1.58	0.67	1.75	1.1	1.33	1.23

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
The number of Occupational Safety and Health Administration (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	2023	2022	2021	2020	2019	2018	2017
Measure 4: Number of reportable injuries and accidents (annual)	<4.60	4.37	4.34	3.44	.858	4.08	7.1	4.45

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.

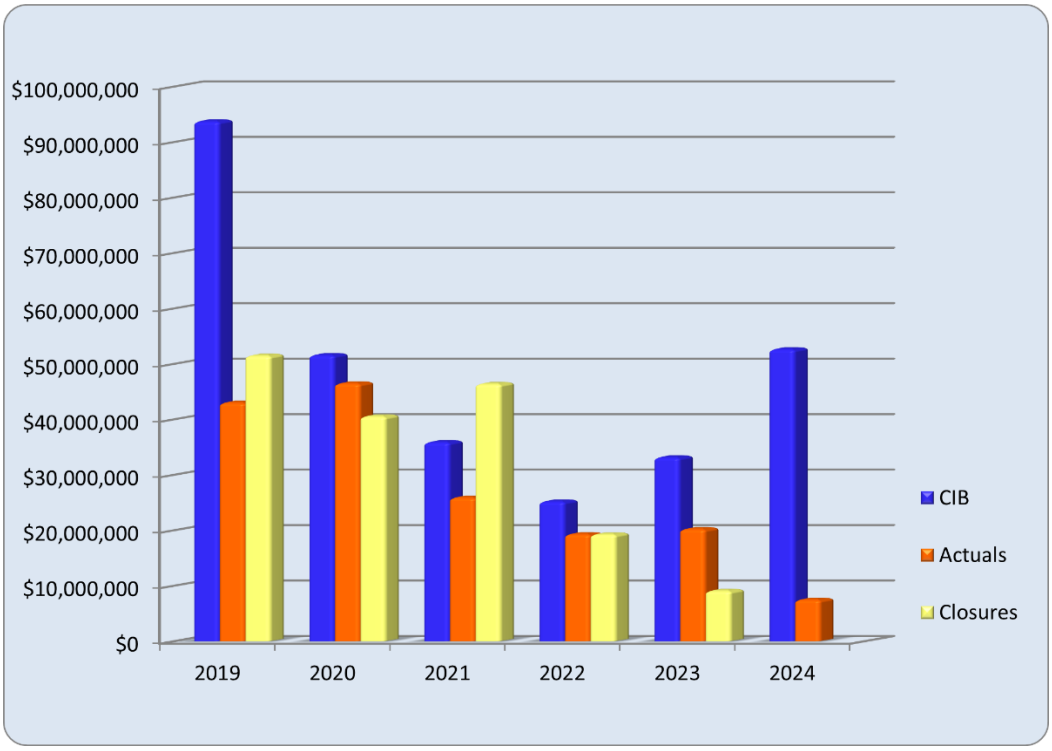
Measured By
The Engineering Division will keep track of this information using the ERP tracking and reporting system.

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	2024	Historical Information				
			2023	2022	2021	2020	2019
Measure 5: Execution of Capital Improvement Budget (annual)	75%	14%	61%	77%	72%	90%	46%



Budget, Expenditures, and Closures through June 2024

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

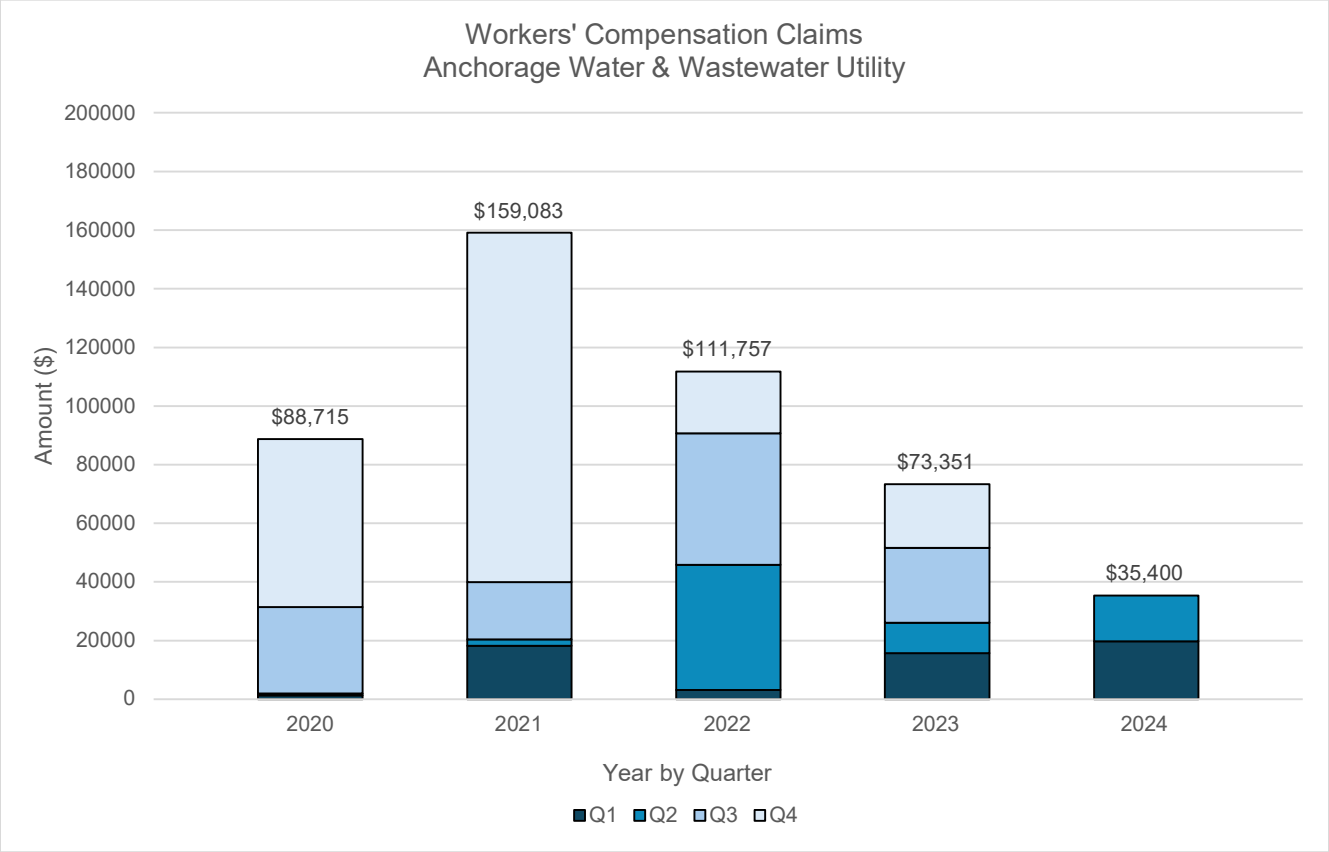
Measure 6: Debt to Equity Ratio (annual)	Goal	*2023	2022	2021	2020	2019	2018	2017
Water Utility	67/33		51/49	54/46	56/44	58/42	60/40	61/39
Wastewater Utility	67/33		56/44	60/40	63/37	64/36	65/35	64/36

* Fiscal year 2023 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 $554 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 $420 million, treating an average of 32 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 and 1 represented AWWU employee. 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 2023, the Asplund WWTF treated an average of 30.72 million gallons per day (mgd). The Eagle River WWTF treated an average 1.40 mgd and the Girdwood WWTF treated an average 0.40 mgd. The three facilities have a combined design capacity of 61.1 mgd. The wastewater collection system has approximately 765 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, 92 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

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. AWWU is continuing to work with the Municipal Administration to recruit and retain qualified employees.

Supply Chain
Some pumps, motors, electrical and instrumentation equipment, 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 2023 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. AWWU has recently engaged the federal Cybersecurity & Infrastructure Security Agency to conduct both physical and cybersecurity audits for AWWU's systems. The intent is to identify and resolve physical or cybersecurity vulnerabilities.

Rate Increases Requested and Approved

	Calculated Rate Increases		Requested Permanent Rate Increases		Approved Rate Increases		Comments
	AWU	ASU	AWU	ASU	AWU	ASU	
2005	7.20%	6.80%	7.20%	6.80%	7.80%	3.00%	
2006	12.40%	15.00%	8.90%	10.60%	6.50%	10.60%	
2007	15.00%	17.80%	14.50%	13.00%	7.00%	9.50%	
2008	-	-	-	-	-	-	
2009	8.70%	8.00%	7.00%	6.50%	5.60%	6.50%	
2010	7.00%	9.50%	2.50%	2.50%	2.50%	2.50%	
2011	18.50%	26.20%	8.00%	15.00%	8.00%	15.00%	
2012	13.00%	16.60%	6.00%	11.00%	6.00%	11.00%	
2013	9.10%	6.80%	6.00%	4.50%	6.00%	4.50%	
2014	5.60%	6.70%	4.00%	5.50%	2.30%	4.30%	
2015	-	-	-	-	-	-	
2016	-	-	-	-	-	-	
2017	-	11.90%	-	9.50%	-	9.50%	
2018	4.50%	4.20%	3.00%	2.50%	3.00%	1.00%	
2019	8.30%	10.50%	7.00%	9.50%	6.50%	6.90%	
2020	-	-	-	-	-	-	
2021	4.86%	11.67%	2.00%	8.00%	2.00%	8.00%	
2022	5.29%	4.59%	1.75%	3.75%	1.75%	3.75%	
2023	-	-	-	-	-	-	AWWU filed Plant Replacement Improvement Surcharge Mechanism (PRISM) rates of 1.85% for AWU and 0.81% for ASU. PRISM was approved by Regulatory Commission as filed.
2024	10.07%	3.67%	6.30%	3.00%	TBD	TBD	AWWU filed to implement an across-the-board rate increase of 6.30% for AWU and 3.00% for ASU. Notably, when accounting for the removal of the Plant Replacement Improvement Surcharge Mechanism (PRISM) surcharge and the anticipated delay in implementing these proposed rates, the overall proposed annualized blended rate increase for the two Utilities in 2024 is 3.00%.
2025	TBD	TBD	TBD	TBD	TBD	TBD	Rate case not yet filed, calculated rate increases are still in process, pending completion of audited 2023 financial statements and revenue requirement study work.

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.

*The Plant Replacement and Improvement Surcharge Mechanism (PRISM) is an alternative rate recovery mechanism permitted under Alaska state regulations pursuant to 3 AAC 52.800 through 3 AAC 52.890. Water and wastewater utilities are permitted to implement a surcharge to recover eligible capital costs completed and placed in service between general rate cases (Revenue Requirement Studies). PRISM rates are reset to 0% when a Revenue Requirement Study impacting service rates is filed with the Regulatory Commission of Alaska.

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. AWWU has submitted a timely application to renew the ADEC permit for the Eagle River WWTF.

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. AWWU is working with the EPA on permit renewal with ongoing efforts including additional data collection, mixing zone study, and other efforts to support the permit renewal.

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.

Per- and Poly-Fluoroalkyl Substances (PFAS)
PFAS are known as forever chemicals and have been identified as a public health and environmental issue facing communities across the United States. PFAS have been manufactured and used in a variety of industries in the United States and around the globe since the 1940s, and they are still being used today. Because of the duration and breadth of use, PFAS can be found in surface water, groundwater, soil, and air—from remote rural areas to densely-populated urban centers. A growing body of scientific evidence shows that exposure at certain levels to specific PFAS can adversely impact human health and other living things. Standards have not been fully developed but may be an issue for AWWU into the future. Tests to date show a low amount in the wastewater. Tests to date of AWWU's surface water treatment facilities do not detect these compounds. Tests to date of all AWWU high production

groundwater wells detected measurable quantities of these compounds in three wells in the Anchorage Bowl. Test results from two of the three wells are below the proposed drinking water standard and one exceeds the proposed drinking water standards. AWWU has implemented management controls on these three wells; completely removing from service the well with PFAS quantities above the proposed drinking water standard.

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 Program.

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.

Sewer Pumping Plant Projects are any improvements to the sanitary sewer pumping facilities 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	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	72,679	74,090	77,686	80,235	84,895	88,275	91,665	94,985
Expenses and Transfers [1]	57,481	61,045	65,964	68,798	72,543	76,453	79,043	82,013
Net Income (Loss)	**15,198**	**13,045**	**11,722**	**11,437**	**12,352**	**11,822**	**12,622**	**12,972**
Charges by/to Other Departments	2,184	2,490	2,655	2,730	2,893	3,067	3,251	3,446
Municipal Enterprise/Utility Service Assessment	9,232	9,110	9,314	10,320	11,160	12,100	12,800	13,450
Dividend to General Government	1,500	1,500	2,500	1,000	1,000	1,000	1,000	1,000
Transfers to General Government [2]	**12,916**	**13,100**	**14,469**	**14,050**	**15,053**	**16,167**	**17,051**	**17,896**
Operating Cash	34,143	29,443	21,038	15,451	13,074	13,961	15,530	17,152
Construction Cash Pool	18,933	26,868	26,614	26,349	25,969	25,889	25,704	27,998
Restricted Cash	8,517	11,500	13,000	13,000	13,000	13,000	13,000	13,000
Total Cash	**61,593**	**67,811**	**60,652**	**54,800**	**52,043**	**52,850**	**54,234**	**58,150**
Net Position/Equity 12/31	231,203	244,313	255,631	267,068	279,420	291,242	303,863	316,835
Capital Assets Beginning Balance	567,953	553,689	557,533	572,408	588,273	590,123	585,143	581,918
Asset Additions Placed in Service	7,319	22,761	34,554	36,065	22,680	16,380	18,485	20,606
Assets Retired	(990)	(3,800)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)
Change Depreciation (Increase)/Decrease	(20,593)	(15,117)	(16,079)	(16,600)	(17,230)	(17,760)	(18,110)	(19,220)
Net Capital Assets (12/31)	**553,689**	**557,533**	**572,408**	**588,273**	**590,123**	**585,143**	**581,918**	**579,704**
Equity Funding Available for Capital	14,000	12,000	12,000	12,000	9,000	6,000	6,000	8,000
Debt								
New Debt - Bonds[3]	-	-	-	-	-	-	-	-
New Debt - Loans or Other	-	15,896	19,500	21,000	10,500	7,500	9,500	12,100
Total Outstanding LT Debt	205,019	204,811	204,717	205,138	193,797	179,800	167,413	158,309
Total Annual Debt Service Payment	22,132	21,353	24,921	26,012	27,319	26,880	27,047	26,046
Debt Service Requirement	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**
Debt Service Coverage (Bond)	3.05	2,396.00	2.91	2.86	3.07	3.23	3.33	3.42
Debt Service Coverage (Total)	1.58	1.51	1.26	1.21	1.23	1.27	1.29	1.37
Debt/Equity Ratio	47 / 53	46 / 54	44 / 56	43 / 57	41 / 59	38 / 62	36 / 64	33 / 67
Rate Change Percent	1.85%	3.00%	4.50%	6.50%	5.75%	4.00%	3.75%	3.50%
Single Family Rate ($)	59.45	62.15	64.95	69.17	73.15	76.07	78.92	81.69
Statistical/Performance Trends								
Number of Accounts	56,700	56,796	56,893	56,990	57,087	57,184	57,281	57,378
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	6,116	6,126	6,137	6,147	6,158	6,168	6,179	6,189

[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

Millions Gallons/Day (MGD)

Anchorage Water Utility
Statement of Revenues and Expenses

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Residential Sales	46,397,306	48,992,000	1,008,000	50,000,000	1,500,000	51,500,000	3.00%
Commercial Sales	15,351,075	16,281,000	(181,000)	16,100,000	1,000,000	17,100,000	6.21%
Public Authority Sales	4,250,358	4,487,000	13,000	4,500,000	200,000	4,700,000	4.44%
Miscellaneous	2,587,073	1,688,700	(188,700)	1,500,000	384,700	1,884,700	25.65%
Total Operating Revenue	**68,585,812**	**71,448,700**	**651,300**	**72,100,000**	**3,084,700**	**75,184,700**	**4.28%**
Non Operating Revenue							
Investment Income	4,066,855	2,640,597	5,453	2,646,050	(149,000)	2,497,050	-5.63%
Other Income	26,356	426	4,574	5,000	-	5,000	0.00%
Total Non Operating Revenue	**4,093,211**	**2,641,023**	**10,027**	**2,651,050**	**(149,000)**	**2,502,050**	**-5.62%**
Total Revenue	**72,679,023**	**74,089,723**	**661,327**	**74,751,050**	**2,935,700**	**77,686,750**	**3.93%**
Operating Expense							
Salaries and Benefits	17,374,936	19,053,997	964,873	20,018,870	2,017,822	22,036,692	10.08%
Overtime	989,832	1,417,873	(964,873)	453,000	-	453,000	0.00%
Total Labor	18,364,768	20,471,870	-	20,471,870	2,017,822	22,489,692	9.86%
Supplies	2,109,846	2,766,765	(563,195)	2,203,570	572,505	2,776,075	25.98%
Travel	61,741	83,346	13,354	96,700	30,800	127,500	31.85%
Contractual/Other Services	7,297,608	7,854,893	563,195	8,418,088	954,162	9,372,250	11.33%
Dividend to General Government	1,500,000	1,500,000	4,100,000	5,600,000	(3,100,000)	2,500,000	-55.36%
Manageable Direct Cost Total	10,969,194	12,205,004	4,113,354	16,318,358	(1,542,533)	14,775,825	-9.45%
Municipal Enterprise/Utility Service Assessment	9,232,018	9,109,864	(586,545)	8,523,319	790,897	9,314,216	9.28%
Depreciation/Amortization	12,838,172	12,080,141	79,574	12,159,715	520,711	12,680,426	4.28%
Non-Manageable Direct Cost Total	22,070,190	21,190,005	(506,971)	20,683,034	1,311,608	21,994,642	6.34%
Charges by/to Other Departments	2,183,776	2,490,179	22,764	2,512,943	141,865	2,654,808	5.65%
Intradepartmental Overheads	(1,109,997)	(699,709)	243,100	(456,609)	(306,073)	(762,682)	67.03%
Total Operating Expense	**52,477,931**	**55,657,349**	**3,872,247**	**59,529,596**	**1,622,689**	**61,152,285**	**2.73%**
Non Operating Expense							
Amortization of Debt Expense	(918,033)	(915,096)	-	(915,096)	29,196	(885,900)	-3.19%
Debt Issuance Costs	-	-	100,000	100,000	-	100,000	0.00%
Interest on Bonded Debt	4,958,222	4,950,000	-	4,950,000	(475,000)	4,475,000	-9.60%
Interest on Loans	1,427,143	1,850,000	-	1,850,000	(230,000)	1,620,000	-12.43%
Interest During Construction (AFUDC)	(467,090)	(500,000)	(200,000)	(700,000)	200,000	(500,000)	-28.57%
Lease Principle/Interest Expense	2,896	2,900	-	2,900	-	2,900	0.00%
Total Non Operating Expense	**5,003,138**	**5,387,804**	**(100,000)**	**5,287,804**	**(475,804)**	**4,812,000**	**-9.00%**
Total Expense	**57,481,070**	**61,045,153**	**3,772,247**	**64,817,400**	**1,146,885**	**65,964,285**	**1.77%**
Net Income (Loss)	**15,197,954**	**13,044,570**	**(3,110,920)**	**9,933,650**	**1,788,815**	**11,722,465**	**18.01%**
Appropriation:							
Total Expense		**59,039,057**	**64,817,400**	**64,817,400**	**6,925,228**	**65,964,285**	**1.77%**
Less: Non Cash Items							
Depreciation/Amortization		12,080,141	79,574	12,159,715	520,711	12,680,426	4.28%
Amortization of Debt Expense		(915,096)	-	(915,096)	29,196	(885,900)	-3.19%
Interest During Construction (AFUDC)		(500,000)	(200,000)	(700,000)	200,000	(500,000)	-28.57%
Total Non-Cash		10,665,045	(120,426)	10,544,619	749,907	11,294,526	7.11%
Amount to be Appropriated (Function Cost/Cash Expense)		**48,374,012**	**5,898,769**	**54,272,781**	**396,978**	**54,669,759**	**0.73%**

Anchorage Water Utility
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**54,272,781**	**144**	**1**	**1**
2024 One-Time Requirements				
- Reverse - One-Time 2024 1Q - $1K 2024 retention bonus for all NON Rep Employees	(52,000)	-	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	141,865	-	-	-
- Intra Departmental Overhead Charges	(306,073)	-	-	-
- Municipal Utility Service Assessment (MUSA)	790,897	-	-	-
- Dividend	(3,100,000)	-	-	-
Debt Service Charges				
- Amortization of Debt Expense	29,196	-	-	-
- Interest on Bonded Debt	(475,000)	-	-	-
- Interest on Loans	(230,000)	-	-	-
- Interest During Construction	200,000	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	711,987	-	-	-
- Professional Services	462,975	-	-	-
- Supplies	507,065	-	-	-
2025 Continuation Level	**52,953,693**	**144**	**1**	**1**
2025 Proposed Budget Changes				
- New GIS Analyst, Grade 16, Full-Time	86,000	1	-	-
- New Collection/Distribution Operator, Grade 21, Full-Time	63,000	1	-	-
- Two (2) New Fleet Journeyman Technicians, Grade 21, Full-Time	126,000	2	-	-
- New Carpenter Craftsman, Grade 21, Full-Time	63,000	1	-	-
- New Principal Accountant, Grade 16, Full-Time	86,000	1	-	-
- New Customer Service Representative Trainer, Grade 14, Full-time	60,000	1	-	-
- Five (5) Interns, Part-Time/Temporary	150,000	-	-	5
- Fund filled Assistant General Manager position, Full-Time	130,000	1	-	-
- Replace Administrative Assistant, Grade 9 with Administrative Officer, Grade 15	70,000	-	-	-
- Replace Accountant, Grade 13 with SAP Functional Analyst, Grade 16	31,310	-	-	-
- Replace Junior Administrative Officer, Grade 12 with Lead Payroll/Accounts Payable, Grade 14	11,685	-	-	-
- Various upgrades for retention	428,840	-	-	-
- Chemicals	81,650	-	-	-
- Depreciation	520,711	-	-	-
- Insurance	28,475	-	-	-
- Travel	30,800	-	-	-
- Utilities	440,110	-	-	-
2025 Proposed Budget	**55,361,274**	**152**	**1**	**6**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- Amortization of Debt Expense	29,196	-	-	-
- Depreciation	(520,711)	-	-	-
- Interest During Construction	(200,000)	-	-	-
2025 Proposed Budget (Appropriation)	**54,669,759**	**152**	**1**	**6**

Position count is for both Water and Wastewater utilities, FTE shows allocation of the positions to this utility.

2025 Proposed FTE		
147.68	**0.25**	**4.07**

Anchorage Water Utility
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
475 Loop Conversion	800	-	-	-	800
Alaska Department of Transportation-MOA Emergency	-	-	-	1,000	1,000
Bragaw 16th Debarr Water Upgrade	800	-	-	-	800
Comprehensive Lock and Key Upgrade	250	-	-	-	250
Controlnet to Ethernet Migration	-	-	-	320	320
Customer Information System Replacement	-	-	-	2,500	2,500
Eklutna Lake Water Rights	500	-	-	-	500
Eklutna Water Transmission Main Valve Vault Rehabilitation Phase II	2,000	-	-	-	2,000
Eklutna Water Treatment Facility Motor Control Center Upgrade	-	-	-	2,500	2,500
Eklutna Water Treatment Facility Process Improvements	6,000	-	-	-	6,000
Eklutna Water Treatment Facility Supervisory Control and Data Acquisition Backbone/Fire Improvements	2,200	-	-	-	2,200
Facility Equipment	-	-	-	1,000	1,000
Facility Plant	-	-	-	1,000	1,000
Girdwood Water Distribution System Upgrade	-	-	-	4,000	4,000
Girdwood Well Rehabilitation	-	-	-	6,000	6,000
Glenn Square Pressure Regulating Valve Facility	2,012	-	-	-	2,012
Headquarters Lighting Upgrades	-	-	-	400	400
Heavy Rolling Stock	-	-	-	750	750
High Pressure Hydrants Underground Pressure Regulating Valves	1,000	-	-	-	1,000
Hydraulic Model Upgrades	-	-	-	50	50
Information Technology Administrative Systems WTR Pool	-	-	-	65	65
Information Technology Infrastructure	-	-	-	300	300
Information Technology Operational Systems	-	-	-	15	15
Iowa Hydrant Replacement	100	-	-	-	100
Kirby Place Water Service	250	-	-	-	250
Pressure Regulating Valve Rock Catchers	450	-	-	550	1,000
Safety Improvements WTR	-	-	-	100	100
Strategic Pressure Initiative Miscellaneous Pressure Regulating Valves Replacement	300	-	-	-	300
Supervisory Control and Data Acquisition Network Improvements	-	-	-	300	300
Supervisory Control and Data Acquisition Network Segmentation	-	-	-	250	250
Supplemental Water Supply and Storage	1,000	-	-	-	1,000
Vehicles	-	-	-	500	500
Water Meter Upgrades	-	-	-	400	400
West 43rd Aero Constellation Water Rehabilitation	1,200	-	-	-	1,200
Total	**18,862**	**-**	**-**	**22,000**	**40,862**

Anchorage Water Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
ADOT-MOA Emergency						
Alaska Department of Transportation-MOA Emergency	2025	-	-	-	1,000	1,000
	2026	1,000	-	-	-	1,000
	2027	1,000	-	-	-	1,000
	2028	1,000	-	-	-	1,000
	2029	1,000	-	-	-	1,000
	2030	135	-	-	865	1,000
		4,135	-	-	1,865	6,000
Equipment						
Facility Equipment	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Facility Plant	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		-	-	-	6,000	6,000
Global Positioning System Unit Upgrades	2027	-	-	-	25	25
Information Technology Infrastructure	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
	2029	-	-	-	300	300
	2030	-	-	-	300	300
		-	-	-	1,800	1,800
Supervisory Control and Data Acquisition Network Improvements	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	300	-	-	-	300
	2029	-	-	-	300	300

Anchorage Water Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Supervisory Control and Data Acquisition Network Improvements	2030	-	-	-	300	300
		300	-	-	1,500	1,800
Water Meter Upgrades	2025	-	-	-	400	400
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	1,500	-	-	-	1,500
Eklutna Water Treatment Facility Motor Control Center Upgrade	2025	-	-	-	2,500	2,500
Eklutna Water Treatment Facility Process Improvements	2025	6,000	-	-	-	6,000
Eklutna Water Treatment Facility Supervisory Control and Data Acquisition Backbone/Fire Improvements	2025	2,200	-	-	-	2,200
Headquarters Lighting Upgrades	2025	-	-	-	400	400
Management Information Systems						
Customer Information System Replacement	2025	-	-	-	2,500	2,500
Geographic Information System Application Development	2026	-	-	-	45	45
	2028	-	-	-	45	45
	2030	-	-	-	45	45
		-	-	-	135	135
Hydraulic Model Upgrades	2025	-	-	-	50	50
	2026	-	-	-	50	50
	2027	-	-	-	50	50
	2028	-	-	-	50	50
	2029	-	-	-	50	50
	2030	-	-	-	50	50
		-	-	-	300	300
Information Technology Administrative Systems WTR Pool	2025	-	-	-	65	65
	2026	-	-	-	65	65
	2027	-	-	-	65	65

Anchorage Water Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Information Technology Administrative Systems WTR Pool	2028	-	-	-	65	65
	2029	65	-	-	-	65
	2030	-	-	-	65	65
		65	-	-	325	390
Information Technology Operational Systems	2025	-	-	-	15	15
	2026	-	-	-	15	15
	2027	-	-	-	15	15
	2028	-	-	-	15	15
	2029	15	-	-	-	15
	2030	-	-	-	15	15
		15	-	-	75	90
Plant						
475 Loop Conversion	2025	800	-	-	-	800
484 520 Zone Conversion	2026	1,350	-	-	-	1,350
520 440 Zone Conversion	2027	750	-	-	-	750
	2028	1,500	-	-	-	1,500
		2,250	-	-	-	2,250
570 600 Zone Conversion	2027	350	-	-	-	350
Anchorage Townsite 5th 8th Avenue Water Upgrade	2029	6,400	-	-	-	6,400
Booster 20 Access Improvements	2026	100	-	-	-	100
Bragaw 16th Debarr Water Upgrade	2025	800	-	-	-	800
Comprehensive Lock and Key Upgrade	2025	250	-	-	-	250
Controlnet to Ethernet Migration	2025	-	-	-	320	320
	2026	-	-	-	320	320
		-	-	-	640	640
East 7th Lane Pine Water Rehabilitation	2026	4,442	-	-	-	4,442
Eklutna Lake Water Rights	2025	500	-	-	-	500
Eklutna Water Transmission Main Valve Vault Rehabilitation Phase II	2025	2,000	-	-	-	2,000
	2026	4,000	-	-	-	4,000
		6,000	-	-	-	6,000
Girdwood Reservoir Improvements	2028	1,500	-	-	-	1,500
	2029	8,500	-	-	-	8,500
		10,000	-	-	-	10,000

Anchorage Water Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Girdwood Water Distribution System Upgrade	2025	-	-	-	4,000	4,000
Girdwood Well Rehabilitation	2025	-	-	-	6,000	6,000
Glenn Square Pressure Regulating Valve Facility	2025	2,012	-	-	-	2,012
Gold Kings Water Main Replacement	2026	200	-	-	-	200
High Pressure Hydrants Underground Pressure Regulating Valves	2025	1,000	-	-	-	1,000
Iowa Hydrant Replacement	2025	100	-	-	-	100
	2026	100	-	-	-	100
	2027	100	-	-	-	100
		300	-	-	-	300
Kirby Place Water Service	2025	250	-	-	-	250
Park Down Estates Water Upgrade	2026	6,010	-	-	-	6,010
Plant Oversize & Betterments	2026	-	-	-	10	10
	2028	-	-	-	10	10
	2030	-	-	-	10	10
		-	-	-	30	30
Pressure Regulating Valve Rock Catchers	2025	450	-	-	550	1,000
Red Currant Water Upgrade	2026	1,500	-	-	-	1,500
Safety Improvements WTR	2025	-	-	-	100	100
	2026	-	-	-	100	100
	2027	-	-	-	100	100
	2028	100	-	-	-	100
	2029	-	-	-	100	100
	2030	-	-	-	100	100
		100	-	-	500	600
Strategic Pressure Initiative Miscellaneous Pressure Regulating Valves Replacement	2025	300	-	-	-	300
	2026	300	-	-	-	300
	2027	300	-	-	-	300
	2028	300	-	-	-	300
	2029	300	-	-	-	300
	2030	300	-	-	-	300
		1,800	-	-	-	1,800
Supervisory Control and Data Acquisition Network Segmentation	2025	-	-	-	250	250

Anchorage Water Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Supervisory Control and Data Acquisition Network Segmentation	2026	-	-	-	250	250
	2027	-	-	-	125	125
		-	-	-	625	625
Supplemental Water Supply and Storage	2025	1,000	-	-	-	1,000
The Ponds Water Main Upgrade	2026	2,250	-	-	-	2,250
West 43rd Aero Constellation Water Rehabilitation	2025	1,200	-	-	-	1,200
Wright East 46th Avenue Water Intertie	2026	750	-	-	-	750
	2027	1,850	-	-	-	1,850
		2,600	-	-	-	2,600
Vehicles/Fleet						
Heavy Rolling Stock	2025	-	-	-	750	750
	2026	705	-	-	45	750
	2027	230	-	-	520	750
	2028	735	-	-	15	750
	2029	-	-	-	750	750
	2030	-	-	-	750	750
		1,670	-	-	2,830	4,500
Vehicles	2025	-	-	-	500	500
	2026	-	-	-	500	500
	2027	-	-	-	500	500
	2028	-	-	-	500	500
	2029	-	-	-	500	500
	2030	-	-	-	500	500
		-	-	-	3,000	3,000
	Total	**71,679**	**-**	**-**	**42,000**	**113,679**

475 Loop Conversion

Project ID	AWU2018007	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	October 2013
District		**End Date**	December 2025
Community Council			

Description

This project will convert multiple pressure zones associated with the Anchorage Loop Water Transmission Main to the 475 pressure zone to increase system resiliency and gain operational efficiencies.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	800	-	-	-	-	-	800
Total (in thousands)		**800**	**-**	**-**	**-**	**-**	**-**	**800**

484 520 Zone Conversion

Project ID	AWU2017002	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	June 2020
District		**End Date**	December 2027
Community Council			

Description

Convert the 484 pressure zone to pressures of 520 to decrease pressure surges and gain operational efficiencies.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	1,350	-	-	-	-	1,350
Total (in thousands)		**-**	**1,350**	**-**	**-**	**-**	**-**	**1,350**

520 440 Zone Conversion

Project ID	AWU2017010	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C	**End Date**	December 2029
Community Council			

Description

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

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	750	1,500	-	-	2,250
Total (in thousands)		**-**	**-**	**750**	**1,500**	**-**	**-**	**2,250**

570 600 Zone Conversion

Project ID	AWU2017012	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2027
District		**End Date**	December 2029
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	350	-	-	-	350
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 2029
Community Council			

Description

Provides funding for Anchorage Water Utility 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 (MOA) Project Management & Engineering, as well as other local/state agencies.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	1,000	1,000	1,000	1,000	135	4,135
Net Position	540200 - Water Utility CIP	1,000	-	-	-	-	865	1,865
Total (in thousands)		**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Anchorage Townsite 5th 8th Avenue Water Upgrade

Project ID	AWU2018020	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2019
District		**End Date**	December 2030

Community Council

Description

Rehabilitate approximately 4,200 feet of ferrous water mains in the original Anchorage Townsite neighborhood with limited maintenance access.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	6,400	-	6,400
Total (in thousands)		**-**	**-**	**-**	**-**	**6,400**	**-**	**6,400**

Booster 20 Access Improvements

Project ID	AWU2022012	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2026
District		**End Date**	December 2027

Community Council

Description

Provide truck access at Booster 20 to accommodate Anchorage Water & Wastewater Utility vehicles and improve surface drainage.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	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**	December 2026
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	800	-	-	-	-	-	800
Total (in thousands)		**800**	**-**	**-**	**-**	**-**	**-**	**800**

Comprehensive Lock and Key Upgrade

Project ID	AWU2024003	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2025
District		**End Date**	December 2026
Community Council			

Description

Replace existing locks and keys with new technology to improve control over facility access.

Comments

New project - has corresponding sewer project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	250	-	-	-	-	-	250
Total (in thousands)		**250**	**-**	**-**	**-**	**-**	**-**	**250**

Controlnet to Ethernet Migration

Project ID	AWU2023012	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2025
District		**End Date**	December 2029
Community Council			

Description

Upgrade Controlnet to Ethernet prior to Rockwell ceasing to support Controlnet in 2027 at all facilities utilizing Controlnet.

Comments

New project - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	320	320	-	-	-	-	640
Total (in thousands)		**320**	**320**	**-**	**-**	**-**	**-**	**640**

Customer Information System Replacement

Project ID	AWU2021023	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2024
District		**End Date**	December 2027
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	2,500	-	-	-	-	-	2,500
Total (in thousands)		**2,500**	**-**	**-**	**-**	**-**	**-**	**2,500**

East 7th Lane Pine Water Rehabilitation

Project ID	AWU2016003	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	February 2018
District		**End Date**	December 2027
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	4,442	-	-	-	-	4,442
Total (in thousands)		**-**	**4,442**	**-**	**-**	**-**	**-**	**4,442**

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	2,000	4,000	-	-	-	-	6,000
Total (in thousands)		**2,000**	**4,000**	**-**	**-**	**-**	**-**	**6,000**

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 2029

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2029
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2029

Community Council

Description

Replace the existing dry fluoride system at the Eklutna Water Treatment Facility to provide increased operator safety and higher accuracy of measurement of dry fluoride in the feed system.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	1,500	-	-	-	1,500
Total (in thousands)		**-**	**-**	**1,500**	**-**	**-**	**-**	**1,500**

Eklutna Water Treatment Facility Motor Control Center Upgrade

Project ID	AWU2018003	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	December 2020
District		**End Date**	September 2027
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	2,500	-	-	-	-	-	2,500
Total (in thousands)		**2,500**	**-**	**-**	**-**	**-**	**-**	**2,500**

Eklutna Water Treatment Facility Process Improvements

Project ID	AWU2018019	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2022
District		**End Date**	December 2027

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	6,000	-	-	-	-	-	6,000
Total (in thousands)		**6,000**	**-**	**-**	**-**	**-**	**-**	**6,000**

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**	December 2028
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 Controllers and complete new programming to achieve system integration.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	2,200	-	-	-	-	-	2,200
Total (in thousands)		**2,200**	**-**	**-**	**-**	**-**	**-**	**2,200**

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2028
District		**End Date**	December 2030
Community Council			

Comments

Perform necessary structural and safety upgrades to the Girdwood Reservoir.

Legislative Scope

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	1,500	8,500	-	10,000
Total (in thousands)		**-**	**-**	**-**	**1,500**	**8,500**	**-**	**10,000**

Girdwood Water Distribution System Upgrade

Project ID	AWU2022013	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2019
District		**End Date**	December 2026
Community Council			

Description

Replace three remote distribution facilities in a state of failure and co-locate their functions into one facility to gain efficiencies.

Comments

In design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	4,000	-	-	-	-	-	4,000
Total (in thousands)		**4,000**	**-**	**-**	**-**	**-**	**-**	**4,000**

Girdwood Well Rehabilitation

Project ID	AWU2018026	**Department**	Anchorage Water Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	December 2026
Community Council			

Description

This project will rehabilitate or replace the high production well serving the community of Girdwood.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	6,000	-	-	-	-	-	6,000
Total (in thousands)		**6,000**	**-**	**-**	**-**	**-**	**-**	**6,000**

Glenn Square Pressure Regulating Valve Facility

Project ID	AWU2017016	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2019
District		**End Date**	December 2026
Community Council			

Description

Construct a new pressure regulating valve vault in a more accessible location to replace the existing Chrysler Vault.

Comments

Project in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	2,012	-	-	-	-	-	2,012
Total (in thousands)		**2,012**	**-**	**-**	**-**	**-**	**-**	**2,012**

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2026
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate or replace approximately 40 linear feet of 1995 8-inch ductile iron water main, with a high rate of failure due to corrosion, on Gold Kings Avenue in the area of Turpin Street and Glenn Highway.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	200	-	-	-	-	200
Total (in thousands)		**-**	**200**	**-**	**-**	**-**	**-**	**200**

Headquarters Lighting Upgrades

Project ID	AWU2019011	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	December 2017
District		**End Date**	December 2026

Community Council

Description

Upgrade lighting at the Anchorage Water & Wastewater Utility's headquarters building located at 3000 Arctic Boulevard, in accordance with the Lighting Assessment and Recommendations report prepared by PDC Engineers in March 2019. Work includes replacement of existing interior fluorescent and metal halide lighting as well as interior exit and emergency lighting.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	400	-	-	-	-	-	400
Total (in thousands)		**400**	**-**	**-**	**-**	**-**	**-**	**400**

Heavy Rolling Stock

Project ID	AWU2021010	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	January 2023
District		**End Date**	December 2029
Community Council			

Description

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

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	705	230	735	-	-	1,670
Net Position	540200 - Water Utility CIP	750	45	520	15	750	750	2,830
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 2026
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	1,000	-	-	-	-	-	1,000
Total (in thousands)		**1,000**	**-**	**-**	**-**	**-**	**-**	**1,000**

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

Development of upgrades to the water hydraulic model for essential business functions.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2040
Community Council			

Description

Upgrade or replace Information Technology (IT) and Customer Service software systems to address aging technology platforms and security vulnerabilities as needed. Systems include, but are not limited to: Business Intelligence, Enterprise Resource Planning, Geographic Information System (GIS), Mobile, Parcel, Project Management, Supervisory Control and Data Acquisition, Banner, Customer Information System, Neptune Meter Reading, Cash Register, Bill Payment and Presentment, Information Permitting Backflow, Teldig, Outage Notification, and Treatment IT Master Plan System Categories.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	65	-	65
Net Position	540200 - Water Utility CIP	65	65	65	65	-	65	325
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 (IT) infrastructure including servers, network, storage, and security.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**

Information Technology Operational Systems

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

Description

Upgrade or replace Information Technology Operational Systems to address aging technology platforms and security vulnerabilities as needed. Systems include but are not limited to Work Management and other Systems.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	-	15	-	15
Net Position	540200 - Water Utility CIP	15	15	15	15	-	15	75
Total (in thousands)		**15**	**15**	**15**	**15**	**15**	**15**	**90**

Kirby Place Water Service

Project ID	AWU2023017	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2025

Community Council

Description

Construct a water service to a residence with a non-conforming service connection crossing lot-lines in the Woodland Park Subdivision in the area of West 36th Avenue.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	250	-	-	-	-	-	250
Total (in thousands)		**250**	**-**	**-**	**-**	**-**	**-**	**250**

Park Down Estates Water Upgrade

Project ID	AWU2020003	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	June 2020
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate or replace water assets with a higher-than-normal failure rate in the Park Downs Estates subdivision.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	6,010	-	-	-	-	6,010
Total (in thousands)		**-**	**6,010**	**-**	**-**	**-**	**-**	**6,010**

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 Anchorage Water Utility (AWU) requested betterments to AWU's existing infrastructure or for AWU requested oversizing of water mains installed by the developers.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	-	10	-	10	-	10	30
Total (in thousands)		**-**	**10**	**-**	**10**	**-**	**10**	**30**

Pressure Regulating Valve Rock Catchers

Project ID	AWU2022001	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2026
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	450	-	-	-	-	-	450
Net Position	540200 - Water Utility CIP	550	-	-	-	-	-	550
Total (in thousands)		**1,000**	**-**	**-**	**-**	**-**	**-**	**1,000**

Red Currant Water Upgrade

Project ID	AWU2022009	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2026
District		**End Date**	December 2028

Community Council

Description

Rehabilitate or replace corroded water assets with a high rate of failure on Red Currant Circle in the area of East Dowling Road.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	1,500	-	-	-	-	1,500
Total (in thousands)		**-**	**1,500**	**-**	**-**	**-**	**-**	**1,500**

Safety Improvements WTR

Project ID	AWU2023019	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2024
District		**End Date**	December 2029
Community Council			

Description

Provides annual funding to actively improve safety on water assets as needed.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	100	-	-	100
Net Position	540200 - Water Utility CIP	100	100	100	-	100	100	500
Total (in thousands)		**100**	**100**	**100**	**100**	**100**	**100**	**600**

Strategic Pressure Initiative Miscellaneous Pressure Regulating Valves Replacement

Project ID	AWU2023002	**Department**	Anchorage Water Utility
Project Type	Replacement	**Start Date**	December 2020
District		**End Date**	December 2027
Community Council			

Description

Replace failing and nonstandard pressure regulating valve components and appurtenances throughout the Anchorage Water Utility distribution system.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	300	300	300	300	300	300	1,800
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

Supervisory Control and Data Acquisition Network Improvements

Project ID	AWU2021008	**Department**	Anchorage Water 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 on supervisory control and data acquisition (SCADA) network. These may include, but are not limited to upgrades to logic controllers, software replacement, and intelligence upgrades.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	-	-	300	-	-	300
Net Position	540200 - Water Utility CIP	300	300	300	-	300	300	1,500
Total (in thousands)		**300**	**300**	**300**	**300**	**300**	**300**	**1,800**

Supervisory Control and Data Acquisition Network Segmentation

Project ID	AWU2023011	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2028
Community Council			

Description

Create three networks from the existing single supervisory control and data acquisition (SCADA) network at each plant separated by vlans and firewall rules to add resiliency to the SCADA network and comply with federal government cybersecurity recommendations.

Comments

New project - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	250	250	125	-	-	-	625
Total (in thousands)		**250**	**250**	**125**	**-**	**-**	**-**	**625**

The Ponds Water Main Upgrade

Project ID	AWU2022010	**Department**	Anchorage Water Utility
Project Type	Upgrade	**Start Date**	January 2026
District		**End Date**	December 2028
Community Council			

Description

Rehabilitate or replace corroded water assets between the hydrants on Lily Pond and Ponds Circles in the area east of New Seward Highway, between East 64th and East 68th Avenues.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	2,250	-	-	-	-	2,250
Total (in thousands)		**-**	**2,250**	**-**	**-**	**-**	**-**	**2,250**

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 Anchorage Water Utility (AWU) fleet vehicles at the end of their useful life.

Comments

Annual Funding Pool - has a related Sewer Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 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

This project is in implementation phase.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	540200 - Water Utility CIP	400	-	-	-	-	-	400
Total (in thousands)		**400**	**-**	**-**	**-**	**-**	**-**	**400**

Wright East 46th Avenue Water Intertie

Project ID	AWU2023016	**Department**	Anchorage Water Utility
Project Type	Improvement	**Start Date**	January 2026
District		**End Date**	December 2027
Community Council			

Description

Construct an intertie between the water main at Tudor Road and Wright Street to the water mains in East 46th Avenue to provide system redundancy in an area with increasing corrosion related failures and larger than normal water outages.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	540200 - Water Utility CIP	-	750	1,850	-	-	-	2,600
Total (in thousands)		**-**	**750**	**1,850**	**-**	**-**	**-**	**2,600**

Anchorage Wastewater Utility
8 Year Summary
($ in thousands)

Financial Overview	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	71,029	70,657	73,766	77,185	81,065	87,165	91,575	95,785
Expenses and Transfers [1]	57,943	60,111	63,667	69,306	72,516	75,316	77,816	79,696
Net Income (Loss)	**13,086**	**10,546**	**10,099**	**7,879**	**8,549**	**11,849**	**13,759**	**16,089**
Charges by/to Other Departments	2,119	2,408	2,575	2,730	2,893	3,067	3,251	3,446
Municipal Enterprise/Utility Service Assessment	6,959	6,775	6,927	7,830	8,390	8,840	9,270	9,910
Dividend to General Government	-	-	-	-	-	-	-	-
Transfers to General Government [2]	**9,078**	**9,183**	**9,502**	**10,560**	**11,283**	**11,907**	**12,521**	**13,356**
Operating Cash	30,383	25,184	15,950	16,261	16,870	17,891	20,096	21,278
Construction Cash Pool	11,720	20,057	20,059	19,856	19,972	19,717	19,523	19,802
Restricted Cash	8,644	9,000	9,000	10,000	10,000	10,000	10,000	10,000
Total Cash	**50,747**	**54,241**	**45,009**	**46,117**	**46,842**	**47,608**	**49,619**	**51,080**
Net Position/Equity 12/31	158,072	168,785	178,474	186,163	194,513	206,142	220,182	236,661
Capital Assets Beginning Balance	440,676	432,363	432,729	440,217	444,320	444,655	438,039	436,893
Asset Additions Placed in Service	10,137	18,950	26,598	23,803	20,485	13,854	19,794	60,322
Assets Retired	(1,550)	(3,400)	(3,400)	(3,400)	(3,400)	(3,400)	(3,400)	(3,400)
Change Depreciation (Increase)/Decrease	(16,900)	(15,184)	(15,710)	(16,300)	(16,750)	(17,070)	(17,540)	(18,450)
Net Capital Assets (12/31)	**432,363**	**432,729**	**440,217**	**444,320**	**444,655**	**438,039**	**436,893**	**475,365**
Equity Funding Available for Capital	10,000	11,000	14,000	3,000	4,000	8,000	10,000	15,000
Debt								
New Debt - Bonds [3]	-	-	-	-	-	-	-	-
New Debt - Loans or Other	1,666	13,668	10,000	18,000	14,000	3,000	7,000	43,000
Total Outstanding LT Debt	175,269	172,034	164,368	163,971	158,823	143,491	132,565	158,398
Total Annual Debt Service Payment	16,900	21,221	21,851	22,662	23,616	22,582	21,945	21,697
Debt Service Requirement	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**
Debt Service Coverage (Bond)	3.17	2.79	2.68	2.71	2.84	3.86	4.18	4.40
Debt Service Coverage (Total)	1.76	1.25	1.16	1.15	1.16	1.37	1.51	1.60
Debt/Equity Ratio	53 / 47	50 / 50	48 / 52	47 / 53	45 / 55	41 / 59	38 / 62	40 / 60
Rate Change Percent	0.81%	3.00%	4.50%	7.00%	5.00%	7.50%	5.60%	4.50%
Single Family Rate ($)	54.71	56.01	58.53	62.63	65.76	70.69	74.65	78.01
Statistical/Performance Trends								
Number of Accounts	57,600	57,698	57,796	57,894	57,993	58,091	58,190	58,289
Average Treatment (MGD)	32.1	32.2	32.2	32.3	32.3	32.4	32.4	32.5
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 paid off existing short-term borrowing program debt, no new proceeds

Millions Gallons/Day (MGD)

Anchorage Wastewater Utility
Statement of Revenues and Expenses

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Residential Sales	48,751,452	50,190,000	310,000	50,500,000	2,100,000	52,600,000	4.16%
Commercial Sales	14,356,026	14,394,000	406,000	14,800,000	100,000	14,900,000	0.68%
Public Authority Sales	3,032,118	3,016,000	84,000	3,100,000	100,000	3,200,000	3.23%
Miscellaneous	1,482,714	1,084,000	(84,000)	1,000,000	141,000	1,141,000	14.10%
Total Operating Revenue	**67,622,310**	**68,684,000**	**716,000**	**69,400,000**	**2,441,000**	**71,841,000**	**3.52%**
Non Operating Revenue							
Investment Income	3,386,277	1,966,654	11,396	1,978,050	(58,000)	1,920,050	-2.93%
Other Income	20,294	6,358	(1,358)	5,000	-	5,000	0.00%
Total Non Operating Revenue	**3,406,572**	**1,973,012**	**10,038**	**1,983,050**	**(58,000)**	**1,925,050**	**-2.92%**
Total Revenue	**71,028,882**	**70,657,012**	**726,038**	**71,383,050**	**2,383,000**	**73,766,050**	**3.34%**
Operating Expense							
Salaries and Benefits	17,359,865	18,845,874	347,111	19,192,985	1,809,635	21,002,620	9.43%
Overtime	558,094	766,611	(347,111)	419,500	-	419,500	0.00%
Total Labor	17,917,959	19,612,485	-	19,612,485	1,809,635	21,422,120	9.23%
Supplies	3,701,558	4,210,428	(367,013)	3,843,415	511,245	4,354,660	13.30%
Travel	77,816	85,648	16,452	102,100	25,400	127,500	24.88%
Contractual/Other Services	12,143,205	11,695,575	367,013	12,062,588	1,329,481	13,392,069	11.02%
Dividend to General Government	-	-	-	-	-	-	0.00%
Manageable Direct Cost Total	15,922,580	15,991,651	16,452	16,008,103	1,866,126	17,874,229	11.66%
Municipal Enterprise/Utility Service Assessment	6,958,865	6,775,400	(439,062)	6,336,338	590,609	6,926,947	9.32%
Depreciation/Amortization	12,429,926	11,582,564	(11,730)	11,570,834	423,203	11,994,037	3.66%
Non-Manageable Direct Cost Total	19,388,791	18,357,964	(450,792)	17,907,172	1,013,812	18,920,984	5.66%
Charges by/to Other Departments	2,119,010	2,408,378	23,370	2,431,748	143,577	2,575,325	5.90%
Intradepartmental Overheads	(1,117,967)	(292,445)	75,615	(216,830)	(364,977)	(581,807)	168.32%
Total Operating Expense	**54,230,372**	**56,078,033**	**(335,355)**	**55,742,678**	**4,468,173**	**60,210,851**	**8.02%**
Non Operating Expense							
Amortization of Debt Expense	(666,917)	(668,626)	-	(668,626)	23,226	(645,400)	-3.47%
Debt Issuance Costs	-	-	100,000	100,000	-	100,000	0.00%
Interest on Bonded Debt	3,786,746	3,950,000	-	3,950,000	(575,000)	3,375,000	-14.56%
Interest on Loans	1,354,746	1,650,000	-	1,650,000	(125,000)	1,525,000	-7.58%
Interest During Construction (AFUDC)	(763,610)	(900,000)	-	(900,000)	-	(900,000)	0.00%
Lease Principle/Interest Expense	1,460	1,600	-	1,600	-	1,600	0.00%
Total Non Operating Expense	**3,712,425**	**4,032,974**	**100,000**	**4,132,974**	**(676,774)**	**3,456,200**	**-16.37%**
Total Expense	**57,942,797**	**60,111,007**	**(235,355)**	**59,875,652**	**3,791,399**	**63,667,051**	**6.33%**
Net Income (Loss)	**13,086,085**	**10,546,005**	**961,393**	**11,507,398**	**(1,408,399)**	**10,098,999**	**-12.24%**
Appropriation:							
Total Expense		**60,111,007**	**(235,355)**	**59,875,652**	**3,791,399**	**63,667,051**	**6.33%**
Less: Non Cash Items							
Depreciation/Amortization		11,582,564	(11,730)	11,570,834	423,203	11,994,037	3.66%
Amortization of Debt Expense		(668,626)	-	(668,626)	23,226	(645,400)	-3.47%
Interest During Construction (AFUDC)		(900,000)	-	(900,000)	-	(900,000)	0.00%
Total Non-Cash		10,013,938	(11,730)	10,002,208	446,429	10,448,637	4.46%
Amount to be Appropriated (Function Cost/Cash Expense)		**50,097,069**	**(223,625)**	**49,873,444**	**3,344,970**	**53,218,414**	**6.71%**

Anchorage Wastewater Utility
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**49,873,444**	**162**	**1**	**1**
2024 One-Time Requirements				
- Reverse - One-Time - 2024 1Q - $1K 2024 retention bonus for all NON Rep Employees	(50,000)	-	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	143,577	-	-	-
- Intra Departmental Overhead Charges	(364,977)	-	-	-
- Municipal Utility Service Assessment (MUSA)	590,609	-	-	-
Debt Service Charges				
- Amortization of Debt Expense	23,266	-	-	-
- Interest on Bonded Debt	(575,000)	-	-	-
- Interest on Loans	(125,000)	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	781,603	-	-	-
- Contractual Services	923,261	-	-	-
- Supplies	133,384	-	-	-
2025 Continuation Level	**51,354,167**	**162**	**1**	**1**
2025 Proposed Budget Changes				
- New GIS Analyst, Grade 16, Full-Time	86,000	1	-	-
- New Collection/Distribution Operator, Grade 21, Full-Time	63,000	1	-	-
- Two (2) New Fleet Journeyman Technicians, Grade 21, Full-Time	126,000	2	-	-
- New Carpenter Craftsman, Grade 21, Full-Time	63,000	1	-	-
- New Principal Accountant, Grade 16, Full-Time	86,000	1	-	-
- New Customer Service Representative Trainer, Grade 14, Full-time	60,000	1	-	-
- Five (5) Interns, Part-Time/Temporary	150,000	-	-	5
- Fund filled Assistant General Manager position, Full-Time	130,000	1	-	-
- Replace Administrative Assistant, Grade 9 with Administrative Officer, Grade 15	70,000	-	-	-
- Replace Accountant, Grade 13 with SAP Functional Analyst, Grade 16	31,310	-	-	-
- Replace Junior Administrative Officer, Grade 12 with Lead Payroll/Accounts Payable, Grade 14	11,685	-	-	-
- Various upgrades for retention	201,037	-	-	-
- Depreciation	423,203	-	-	-
- Insurance	14,420	-	-	-
- Repair & Maintenance Supplies	377,861	-	-	-
- Travel	25,400	-	-	-
- Utilities	391,800	-	-	-
2025 Proposed Budget	**53,664,883**	**170**	**1**	**6**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- Amortization of Debt Expense	(23,266)	-	-	-
- Depreciation	(423,203)	-	-	-
2025 Proposed Budget (Appropriation)	**53,218,414**	**170**	**1**	**6**

Position count is for both Water and Wastewater utilities, FTE shows allocation of the positions to this utility.

2025 Proposed FTE		
166.3	**0.25**	**3.43**

Anchorage Wastewater Utility
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Aigot Strom Subdivision Sewer Upgrades	800	-	-	-	800
Alaska Department of Transportation-MOA Emergency	-	-	-	1,000	1,000
Asplund Wastewater Treatment Facility Dewatering	-	-	-	1,500	1,500
Asplund Wastewater Treatment Facility National Pollution Discharge Elimination System Permit Renewal	-	-	-	1,000	1,000
Asplund Wastewater Treatment Facility Supervisory Control and Data Acquisition Gas Panel Replacement	-	-	-	250	250
Comprehensive Lock and Key Upgrade	-	-	-	250	250
Controlnet to Ethernet Migration	-	-	-	320	320
Customer Information System Replacement	-	-	-	2,500	2,500
Eagle River Wastewater Treatment Facility Tertiary Filter Improvements	1,000	-	-	-	1,000
Eagle River Wastewater Treatment Facility Ultraviolet and Washwater Upgrades	1,700	-	-	-	1,700
Facility Equipment	-	-	-	1,000	1,000
Facility Plant	-	-	-	1,000	1,000
Fats, Oils, Grease (FOG) Receiving Station	3,000	-	-	-	3,000
Girdwood Sewer Inflow & Infiltration Phase I A	1,300	-	-	-	1,300
Girdwood Wastewater Treatment Facility Filtration Supervisory Control and Data Acquisition Panel Upg	-	-	-	400	400
Girdwood Wastewater Treatment Facility Recycled Water System	-	-	-	250	250
Heavy Rolling Stock	-	-	-	750	750
Hydraulic Model Upgrades	-	-	-	50	50
Information Technology Administrative Systems SWR Pool	-	-	-	65	65
Information Technology Infrastructure	-	-	-	300	300
Information Technology Operational Systems	-	-	-	15	15
King Street Grease Pit	-	-	-	2,000	2,000
Pump Station 12 Force Main Interceptor C Gravity Junction Rehabilitation	7,400	-	-	200	7,600
Pump Station 2 Rehabilitation	4,500	-	-	-	4,500
Safety Improvements SWR	-	-	-	100	100
Supervisory Control and Data Acquisition Network Segmentation	-	-	-	250	250
Supervisory Control and Data Network Improvements	-	-	-	300	300
Vehicles	-	-	-	500	500
Total	**19,700**	**-**	**-**	**14,000**	**33,700**

Anchorage Wastewater Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
ADOT-MOA Emergency						
Alaska Department of Transportation-MOA Emergency	2025	-	-	-	1,000	1,000
	2026	595	-	-	405	1,000
	2027	1,000	-	-	-	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		1,595	-	-	4,405	6,000
Equipment						
Facility Equipment	2025	-	-	-	1,000	1,000
	2026	1,000	-	-	-	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		1,000	-	-	5,000	6,000
Facility Plant	2025	-	-	-	1,000	1,000
	2026	1,000	-	-	-	1,000
	2027	-	-	-	1,000	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		1,000	-	-	5,000	6,000
Global Positioning System Unit Upgrades	2027	-	-	-	25	25
Information Technology Infrastructure	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
	2029	-	-	-	300	300
	2030	-	-	-	300	300
		-	-	-	1,800	1,800
Supervisory Control and Data Network Improvements	2025	-	-	-	300	300
	2026	-	-	-	300	300
	2027	-	-	-	300	300
	2028	-	-	-	300	300
	2029	-	-	-	300	300

Anchorage Wastewater Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Supervisory Control and Data Network Improvements	2030	-	-	-	300	300
		-	-	-	1,800	1,800
Management Information Systems						
Customer Information System Replacement	2025	-	-	-	2,500	2,500
Geographic Information System Application Development	2026	-	-	-	45	45
	2028	-	-	-	45	45
	2030	-	-	-	45	45
		-	-	-	135	135
Hydraulic Model Upgrades	2025	-	-	-	50	50
	2026	-	-	-	50	50
	2027	-	-	-	50	50
	2028	-	-	-	50	50
	2029	-	-	-	50	50
	2030	-	-	-	50	50
		-	-	-	300	300
Information Technology Administrative Systems SWR Pool	2025	-	-	-	65	65
	2026	-	-	-	65	65
	2027	-	-	-	65	65
	2028	-	-	-	65	65
	2029	-	-	-	65	65
	2030	-	-	-	65	65
		-	-	-	390	390
Information Technology Operational Systems	2025	-	-	-	15	15
	2026	-	-	-	15	15
	2027	-	-	-	15	15
	2028	-	-	-	15	15
	2029	-	-	-	15	15
	2030	-	-	-	15	15
		-	-	-	90	90
No Category						
Asplund Wastewater Treatment Facility Dewatering	2025	-	-	-	1,500	1,500
Asplund Wastewater Treatment Facility Dewatering II	2026	6,000	-	-	-	6,000

Anchorage Wastewater Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Comprehensive Lock and Key Upgrade	2025	-	-	-	250	250
Debora Subdivision Sewer Upgrade	2026	500	-	-	-	500
	2027	1,500	-	-	-	1,500
		2,000	-	-	-	2,000
Eagle River Wastewater Treatment Facility Building 2 Roof and Control Panels	2029	1,780	-	-	2,920	4,700
Eagle River Wastewater Treatment Facility Clarifiers 1 and 2 Rehabilitation	2030	-	-	-	4,000	4,000
Plant						
3rd and Reeve Boulevard Sewer Main	2026	500	-	-	-	500
	2027	1,500	-	-	-	1,500
		2,000	-	-	-	2,000
Aigot Strom Subdivision Sewer Upgrades	2025	800	-	-	-	800
Asplund Wastewater Treatment Facility National Pollution Discharge Elimination System Permit Renewal	2025	-	-	-	1,000	1,000
	2026	1,000	-	-	-	1,000
		1,000	-	-	1,000	2,000
Asplund Wastewater Treatment Facility Supervisory Control and Data Acquisition Gas Panel Replacement	2025	-	-	-	250	250
Asplund Wastewater Treatment Facility Supervisory Control and Data Aquisition Communication Improvem	2026	1,000	-	-	-	1,000
Controlnet to Ethernet Migration	2025	-	-	-	320	320
	2026	-	-	-	320	320
		-	-	-	640	640
D-2-4 Trunk Improvements	2026	3,000	-	-	-	3,000
Eagle River Wastewater Treatment Heating, Ventilation, and Air Conditioning and Safety Improvement	2027	3,000	-	-	-	3,000
Eagle River Wastewater Treatment Facility Biological Processes and Site Upgrades	2028	2,600	-	-	-	2,600
Eagle River Wastewater Treatment Facility Building, Site and Headworks Improvements	2030	-	-	-	760	760
Eagle River Wastewater Treatment Facility Motor Control Center, Electrical Panel, and Lighting Impro	2030	-	-	-	1,515	1,515

Anchorage Wastewater Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Eagle River Wastewater Treatment Facility Tertiary Filter Improvements	2025	1,000	-	-	-	1,000
	2026	3,000	-	-	-	3,000
		4,000	-	-	-	4,000
Eagle River Wastewater Treatment Facility Ultraviolet and Washwater Upgrades	2025	1,700	-	-	-	1,700
Fats, Oils, Grease (FOG) Receiving Station	2025	3,000	-	-	-	3,000
Girdwood Inflow and Infiltration Pool	2026	1,000	-	-	-	1,000
	2027	1,000	-	-	-	1,000
	2028	-	-	-	1,000	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		2,000	-	-	3,000	5,000
Girdwood Sewer Inflow & Infiltration Phase I A	2025	1,300	-	-	-	1,300
Girdwood Wastewater Treatment Facility Filtration Supervisory Control and Data Acquisition Panel Upg	2025	-	-	-	400	400
Girdwood Wastewater Treatment Facility Recycled Water System	2025	-	-	-	250	250
Girdwood Wastewater Treatment Facility Strategic Major Rehabilitation	2027	1,000	-	-	-	1,000
	2028	1,000	-	-	-	1,000
	2029	-	-	-	1,000	1,000
	2030	-	-	-	1,000	1,000
		2,000	-	-	2,000	4,000
King Street Grease Pit	2025	-	-	-	2,000	2,000
King Street Grit Facility Upgrades	2026	1,000	-	-	-	1,000
Large Diameter Sewer Manholes	2028	1,135	-	-	1,865	3,000
Plant Oversize & Betterments	2026	10	-	-	-	10
	2028	-	-	-	10	10
	2030	-	-	-	10	10
		10	-	-	20	30
Pump Station 12 Force Main Interceptor C Gravity Junction Rehabilitation	2025	7,400	-	-	200	7,600
Pump Station 2 Rehabilitation	2025	4,500	-	-	-	4,500
Safety Improvements SWR	2025	-	-	-	100	100

Anchorage Wastewater Utility
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Safety Improvements SWR	2026	100	-	-	-	100
	2027	100	-	-	-	100
	2028	-	-	-	100	100
	2029	-	-	-	100	100
	2030	-	-	-	100	100
		200	-	-	400	600
Supervisory Control and Data Acquisition Network Segmentation	2025	-	-	-	250	250
	2026	-	-	-	250	250
	2027	-	-	-	125	125
		-	-	-	625	625
Worst Subdivision Sewer Lining	2026	1,000	-	-	-	1,000
Vehicles/Fleet						
Heavy Rolling Stock	2025	-	-	-	750	750
	2026	-	-	-	750	750
	2027	130	-	-	620	750
	2028	-	-	-	750	750
	2029	-	-	-	750	750
	2030	-	-	-	750	750
		130	-	-	4,370	4,500
Vehicles	2025	-	-	-	500	500
	2026	-	-	-	500	500
	2027	-	-	-	500	500
	2028	-	-	-	500	500
	2029	-	-	-	500	500
	2030	-	-	-	500	500
		-	-	-	3,000	3,000
	Total	**56,150**	**-**	**-**	**52,410**	**108,560**

3rd and Reeve Boulevard Sewer Main

Project ID	ASU2023012	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2026
District	Assembly: Section 1, Downtown, Seat B & L	**End Date**	December 2028
Community Council			

Description

Rehabilitate or replace approximately 540 feet of damaged 8-inch sewer main on accelerated line cleaning.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	500	1,500	-	-	-	2,000
Total (in thousands)		**-**	**500**	**1,500**	**-**	**-**	**-**	**2,000**

Alaska Department of Transportation-MOA Emergency

Project ID ASU2021012
Department Anchorage Wastewater Utility
Project Type Replacement
Start Date
District
End Date
Community Council

Description

Provides funding for Anchorage Wastewater Utility 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 (MOA) Project Management & Engineering, as well as other local/state agencies.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	595	1,000	-	-	-	1,595
Net Position	550200 - Sewer Utility CIP	1,000	405	-	1,000	1,000	1,000	4,405
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 2028
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	1,000	-	-	-	-	1,000
Net Position	550200 - Sewer Utility CIP	1,000	-	-	-	-	-	1,000
Total (in thousands)		**1,000**	**1,000**	**-**	**-**	**-**	**-**	**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 2025
District		**End Date**	December 2025
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	250	-	-	-	-	-	250
Total (in thousands)		**250**	**-**	**-**	**-**	**-**	**-**	**250**

Controlnet to Ethernet Migration

Project ID	ASU2023010	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2024
District		**End Date**	December 2027
Community Council			

Description

Upgrade Controlnet to Ethernet prior to Rockwell ceasing to support Controlnet in 2027 at all facilities utilizing Controlnet.

Comments

New project - has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	320	320	-	-	-	-	640
Total (in thousands)		**320**	**320**	**-**	**-**	**-**	**-**	**640**

Customer Information System Replacement

Project ID	ASU2021018	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	January 2024
District		**End Date**	December 2027
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	2,500	-	-	-	-	-	2,500
Total (in thousands)		**2,500**	**-**	**-**	**-**	**-**	**-**	**2,500**

D-2-4 Trunk Improvements

Project ID	ASU2016009	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	April 2017
District		**End Date**	December 2027
Community Council			

Description

This project will provide better access for preventative and emergency maintenance to a large diameter gravity sewer main line that is part of the D-2-4 Trunk Main.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	3,000	-	-	-	-	3,000
Total (in thousands)		**-**	**3,000**	**-**	**-**	**-**	**-**	**3,000**

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 2029
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 Personal Address (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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	3,000	-	-	-	3,000
Total (in thousands)		**-**	**-**	**3,000**	**-**	**-**	**-**	**3,000**

Eagle River Wastewater Treatment Facility Biological Processes and Site Upgrades

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	-	2,600	-	-	2,600
Total (in thousands)		**-**	**-**	**-**	**2,600**	**-**	**-**	**2,600**

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 2029
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	760	760
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**760**	**760**

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 2029
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	-	-	-	-	1,515	1,515
Total (in thousands)		**-**	**-**	**-**	**-**	**-**	**1,515**	**1,515**

Eagle River Wastewater Treatment Facility Tertiary Filter Improvements

Project ID	ASU2022007	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2025
District		**End Date**	December 2027
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 Anchorage Water & Wastewater Utility personnel when needed.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	1,000	3,000	-	-	-	-	4,000
Total (in thousands)		**1,000**	**3,000**	**-**	**-**	**-**	**-**	**4,000**

Eagle River Wastewater Treatment Facility Ultraviolet and Washwater Upgrades

Project ID	ASU2023001	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	January 2022
District		**End Date**	December 2026
Community Council			

Description

Rehabilitate and upgrade the Ultraviolet disinfection process to extend useful life and meet Alaska Pollutant Discharge Elimination System permit requirements. Expand the existing wash water supply system to meet current and future demands.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	1,700	-	-	-	-	-	1,700
Total (in thousands)		**1,700**	**-**	**-**	**-**	**-**	**-**	**1,700**

Facility Equipment

Project ID	ASU2021007	**Department**	Anchorage Wastewater Utility
Project Type	Replacement	**Start Date**	
District		**End Date**	
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	1,000	-	-	-	-	1,000
Net Position	550200 - Sewer Utility CIP	1,000	-	1,000	1,000	1,000	1,000	5,000
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**	
District		**End Date**	
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	1,000	-	-	-	-	1,000
Net Position	550200 - Sewer Utility CIP	1,000	-	1,000	1,000	1,000	1,000	5,000
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 2027
Community Council			

Description

This project will resolve the issue of discharging fats, oils, grease, automotive byproducts and similar materials into collection system to ensure that the Utility complies with the Anchorage Sewer Utility Tariff, Municipal Code and the directives from the Environmental Protection Agency regarding the 301h waiver.

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	3,000	-	-	-	-	-	3,000
Total (in thousands)		**3,000**	**-**	**-**	**-**	**-**	**-**	**3,000**

Geographic Information System Application Development

Project ID	ASU2021002	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	
District		**End Date**	
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	-	45	-	45	-	45	135
Total (in thousands)		**-**	**45**	**-**	**45**	**-**	**45**	**135**

Girdwood Sewer Inflow & Infiltration Phase I A

Project ID	ASU2020003	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	December 2020
District		**End Date**	May 2026
Community Council			

Description

This project will replace seventeen (17) sewer services in the Alyeska Basin Subdivision to reduce groundwater inflow and infiltration entering the Girdwood Wastewater Treatment Facility

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	1,300	-	-	-	-	-	1,300
Total (in thousands)		**1,300**	**-**	**-**	**-**	**-**	**-**	**1,300**

Girdwood Wastewater Treatment Facility Recycled Water System

Project ID	ASU2022003	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2022
District		**End Date**	December 2026
Community Council			

Description

Rehabilitate and upgrade the ultraviolet disinfection process to extend useful life and meet National Pollutant Discharge Elimination System permit requirements. Expand the existing wash water supply system to meet current and future demands.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	250	-	-	-	-	-	250
Total (in thousands)		**250**	**-**	**-**	**-**	**-**	**-**	**250**

Girdwood Wastewater Treatment Facility Strategic Major Rehabilitation

Project ID ASU2023009
Department Anchorage Wastewater Utility
Project Type Rehabilitation
Start Date
District
End Date
Community Council

Description

Rehabilitate or replace worn components of the existing Girdwood Water Wastewater Treatment Facility which significantly impact the operation or performance of the facility to meet discharge permit requirements.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	1,000	1,000	-	-	2,000
Net Position	550200 - Sewer Utility CIP	-	-	-	-	1,000	1,000	2,000
Total (in thousands)		**-**	**-**	**1,000**	**1,000**	**1,000**	**1,000**	**4,000**

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	130	-	-	-	130
Net Position	550200 - Sewer Utility CIP	750	750	620	750	750	750	4,370
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.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**	
District		**End Date**	
Community Council			

Description

Upgrade or replace Information Technology (IT) and Customer Service software systems to address aging technology platforms and security vulnerabilities as needed. Systems include, but are not limited to: Business Intelligence, Enterprise Resource Planning, Geographic Information System (GIS), Mobile, Parcel, Project Management, Supervisory Control and Data Acquisition, Banner, Customer Information System, Neptune Meter Reading, Cash Register, Bill Payment and Presentment, Information Permitting Backflow, Teldig, Outage Notification, and Treatment IT Master Plan System Categories.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 Infrastructure

Project ID	ASU2021003	**Department**	Anchorage Wastewater Utility
Project Type	IT	**Start Date**	
District		**End Date**	
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**

Information Technology Operational Systems

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

Description

Upgrade or replace Information Technology Operational Systems to address aging technology platforms and security vulnerabilities as needed. Systems include, but are not limited to: Work Management and other systems.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**

King Street Grit Facility Upgrades

Project ID	ASU2022002	**Department**	Anchorage Wastewater Utility
Project Type	Upgrade	**Start Date**	January 2028
District		**End Date**	December 2029
Community Council			

Description

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.

Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	1,000	-	-	-	-	1,000
Total (in thousands)		**-**	**1,000**	**-**	**-**	**-**	**-**	**1,000**

Large Diameter Sewer Manholes

Project ID	ASU2017001	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	February 2018
District		**End Date**	December 2029
Community Council			

Description

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

Comments

Project is in design phase

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	-	-	1,135	-	-	1,135
Net Position	550200 - Sewer Utility CIP	-	-	-	1,865	-	-	1,865
Total (in thousands)		**-**	**-**	**-**	**3,000**	**-**	**-**	**3,000**

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 Anchorage Wastewater Utility (ASU) requested betterments to ASU's existing infrastructure or for ASU requested oversizing of sewer mains installed by the developers.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	10	-	-	-	-	10
Net Position	550200 - Sewer Utility CIP	-	-	-	10	-	10	20
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**	December 2026
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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	7,400	-	-	-	-	-	7,400
Net Position	550200 - Sewer Utility CIP	200	-	-	-	-	-	200
Total (in thousands)		**7,600**	**-**	**-**	**-**	**-**	**-**	**7,600**

Pump Station 2 Rehabilitation

Project ID	ASU2018009	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	January 2019
District		**End Date**	December 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 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	4,500	-	-	-	-	-	4,500
Total (in thousands)		**4,500**	**-**	**-**	**-**	**-**	**-**	**4,500**

Safety Improvements SWR

Project ID ASU2023015
Department Anchorage Wastewater Utility
Project Type Improvement
Start Date
District
End Date
Community Council

Description

Provides annual funding to actively improve safety on sewer assets as needed.

Comments

Annual Funding Pool

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	100	100	-	-	-	200
Net Position	550200 - Sewer Utility CIP	100	-	-	100	100	100	400
Total (in thousands)		**100**	**100**	**100**	**100**	**100**	**100**	**600**

Supervisory Control and Data Acquisition Network Segmentation

Project ID	ASU2023007	**Department**	Anchorage Wastewater Utility
Project Type	Improvement	**Start Date**	January 2024
District		**End Date**	December 2027
Community Council			

Description

Create three networks from the existing single supervisory control and data acquisition (SCADA) network at each plant separated by vlans and firewall rules to add resiliency to the SCADA network and comply with federal government cybersecurity recommendations.

Comments

Has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	550200 - Sewer Utility CIP	250	250	125	-	-	-	625
Total (in thousands)		**250**	**250**	**125**	**-**	**-**	**-**	**625**

Supervisory Control and Data Network Improvements

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 2025 Proposed

		2025	2026	2027	2028	2029	2030	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 Anchorage Wastewater Utility fleet vehicles at the end of their useful life.

Comments

Annual Funding Pool - has a related Water Utility project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**

Worst Subdivision Sewer Lining

Project ID	ASU2023016	**Department**	Anchorage Wastewater Utility
Project Type	Rehabilitation	**Start Date**	January 2026
District		**End Date**	December 2027
Community Council			

Description

Rehabilitate a 16 inch sewer trunk in the Worst Subdivision to reduce the risk of future failure in an environmentally sensitive area and in conjunction with a Solid Waste Services project.

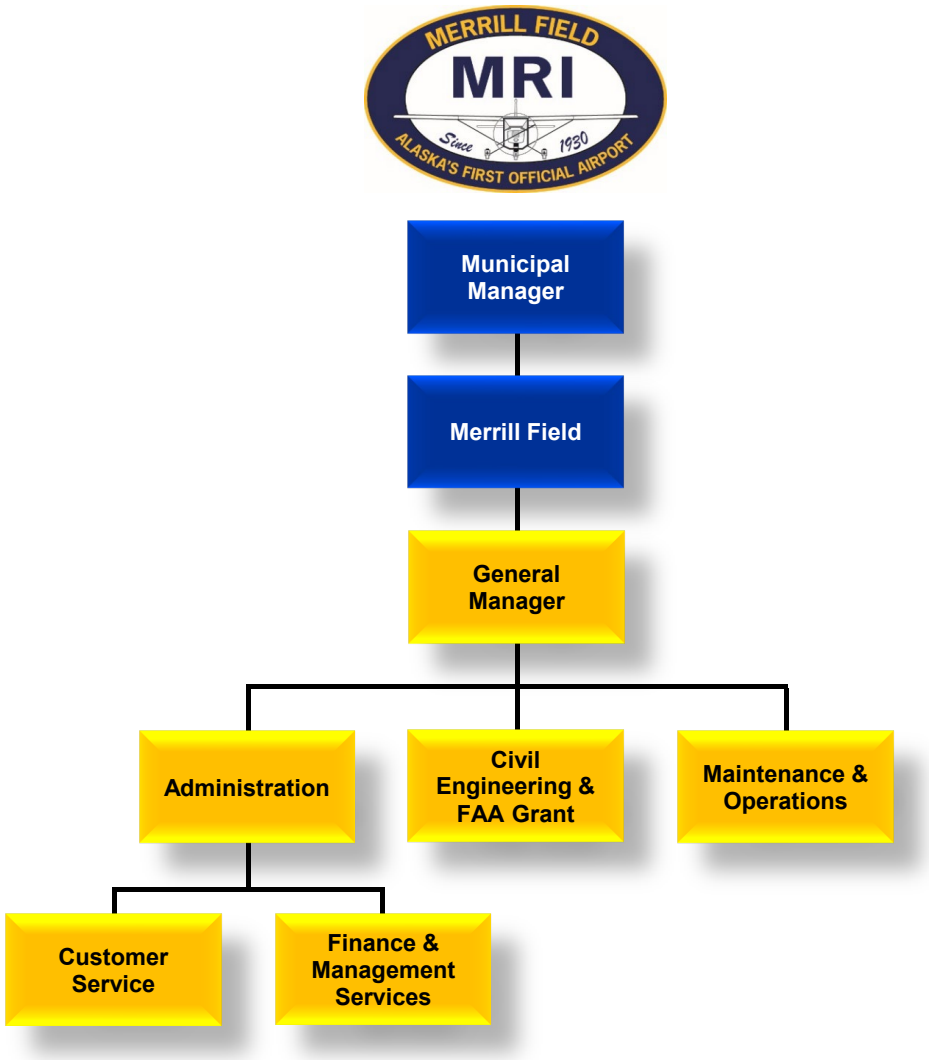
Comments

New project

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Bond Sale Proceeds	550200 - Sewer Utility CIP	-	1,000	-	-	-	-	1,000
Total (in thousands)		**-**	**1,000**	**-**	**-**	**-**	**-**	**1,000**

Municipal Airports



Merrill Field Airport
Organizational Overview

The Airport Manager is responsible for overall vision, management, airport operations, risk mitigation, operational tone, policies, and direction of the Airport. The Airport Manager is also the primary point of contact with the Federal Aviation Administration (FAA) regarding capital and airport planning, operations, and capital development. Duties also include overseeing the coordination of planning and design of infrastructure construction projects. The Airport Manager is assisted in these tasks by an engineering consulting firm contracted out to a local FAA approved engineering firm. Finally, the Airport Manager is the spokesperson in all representations to the media.

Merrill Field Airport Runway by Shelly Plum of AK Love Photography

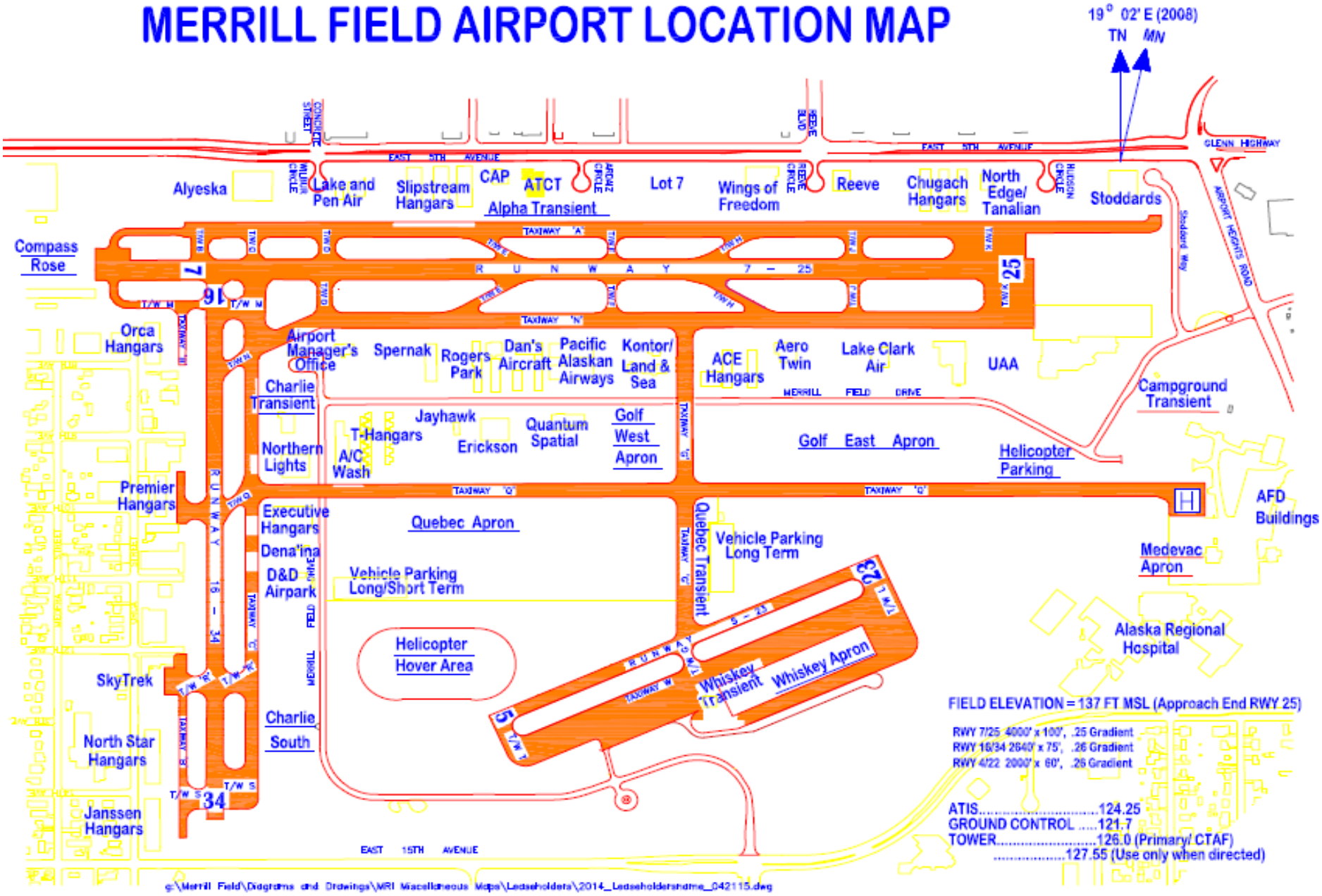
The Assistant Airport Manager serves as the deputy administrator for the airport management functions. Duties include financial management, and the supervisor of the administrative and maintenance staff.

Administrative staff conduct the day-to-day operations at the Airport. This includes property management and servicing of leasehold, airport finance, and tie-down customers.

The skill sets required for this team is broad, including strong customer service skills and be computer savvy.

Maintenance staff provide maintenance on Airport grounds, facilities, and equipment. This team ensures all operating surfaces on the airport - runways, taxiways, and aircraft tiedown areas are safe aircraft operations. Such responsibilities include snow removal, sanding, airfield maintenance, including coordination of Notices to Air Missions (NOTAMs) and currency of the regularly updated and continuously broadcast Air Traffic Information Service (ATIS).

The skill sets required for this team is broad, including operating everything from weed trimmers to heavy equipment, and includes the ability to repair anything from equipment, gates, to light switches and plumbing.


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
Campground Transient
MERRILL FIELD DRIVE
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
Vehicle Parking Long Term
Quebec Transient
Medevac Apron
AFD Buildings
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 a unique, general aviation airport in north Anchorage, which exists to connect people, businesses, cultures, and economies in a way that preserves and serves our communities and airport users. Branding: 'Welcome to Merrill Field - The gateway to Alaska's Interior'.

Services
Merrill Field is a "Primary Commercial Service," air traffic controlled towered airport. As the second busiest airport of the 285 public airports in Alaska, MRI serves as a general aviation reliever airport for the Ted Stevens Anchorage International Airport. Many leaseholders call MRI home, to include: 12 businesses, 20 Part-135 charter services, 8 maintenance facilities, 6 flight training companies, 3 aircraft part supply companies, Civil Air Patrol, aircraft fuel sales, geographical mapping, and University of Alaska Anchorage flight, maintenance, and air traffic control school. There were 30,269 commercial passenger enplanements recorded by the charter air services at MRI in 2023, and an unmeasured amount of freight and mail transported to and from the surrounding communities. Over 800 private aircraft owners base their aircraft at MRI and the airport welcomed transient pilots visiting the community from across the continent.

Business Goals
Note: Merrill Field will list measurable goals for 2025 and track success in the following categories:

- Safety
    a. Zero on the job injuries of airport staff and construction contractors.
    b. Reduce vehicle and pedestrian/deviations by 20% from 2024.
    c. Maintain airport (summer & winter) to ensure safe operation of aircraft and vehicle traffic is possible.
    d. Continue monitoring landfill gasses.
- Airport Infrastructure Improvements
    a. Using Federal Aviation Administration (FAA) Airport Improvement Program (AIP) funds, refurbish runway 7/25 on time and under budget.
    b. Complete the FAA required Airport Layout and Master Plan.
- Efficiency
    a. Seek training and support to reduce labor intensive research in the financial accounting system of record.
    b. Update fee schedule to ensure fair market pricing of all airport lease rates.
    c. Meet with stakeholders regarding construction projects and fee schedule review.
    d. Begin creating a Centennial Celebration Team for MRI's 100th birthday in 2030.
    e. Research aviation operations/maintenance software for tracking maintenance, work orders, time management, and airport equipment maintenance records.
- Community Relations
    a. Airport Manager of designee to attend at least 5 community meetings in immediate vicinity of airport.
    b. Create and distribute "Fly Friendly" fliers with policies.
    c. Create and utilize a Noise Complaint tracking system.

Strategies to Achieve Goals
Note: Merrill Field's strategic plan provides a framework to achieve results for stakeholders:

- Safety
    a. Hold monthly safety meetings with the administration and maintenance staff to implement a Safety Plan for runway refurbishment projects and address all safety infractions immediately.
    b. Request patrols from Anchorage Police Department, improve signage, and increase fines.
    c. Ensure the staff is provided with adequate training to include cross training on all equipment.
    d. Continue working with Solid Waste Services.
- Airport Infrastructure Improvements
    a. Implement the airport Master Plan submitted by the engineering firm, HDL, inc.
- Efficiency
    a. Request support, training, and reports to reduce labor intensive reports in the financial accounting system of record.
    b. Total review of airport lease rates and compare to other like airports in Alaska.
    c. Publicize topics for Municipality of Anchorage Airport Advisory Commission (MAAAC) meetings.
    d. Recruit team from current list of "Friends of the Airport" for MRI's 100th birthday.
    e. Meet with other Alaska airports that use the aviation type product(s) and request quotes.
- Community Relations:
    a. Schedule Airport Manager or designee to attend at least 5 community meetings in immediate vicinity of airport.
    b. Request permission from author of Lake Hood's flier to create and distribute an MRI version of "Fly Friendly" flier with policies.
    c. Create and utilize a noise complaint tracking system for front desk.

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) and passenger enplanements – 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 rehabilitation/replacement projects.

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.

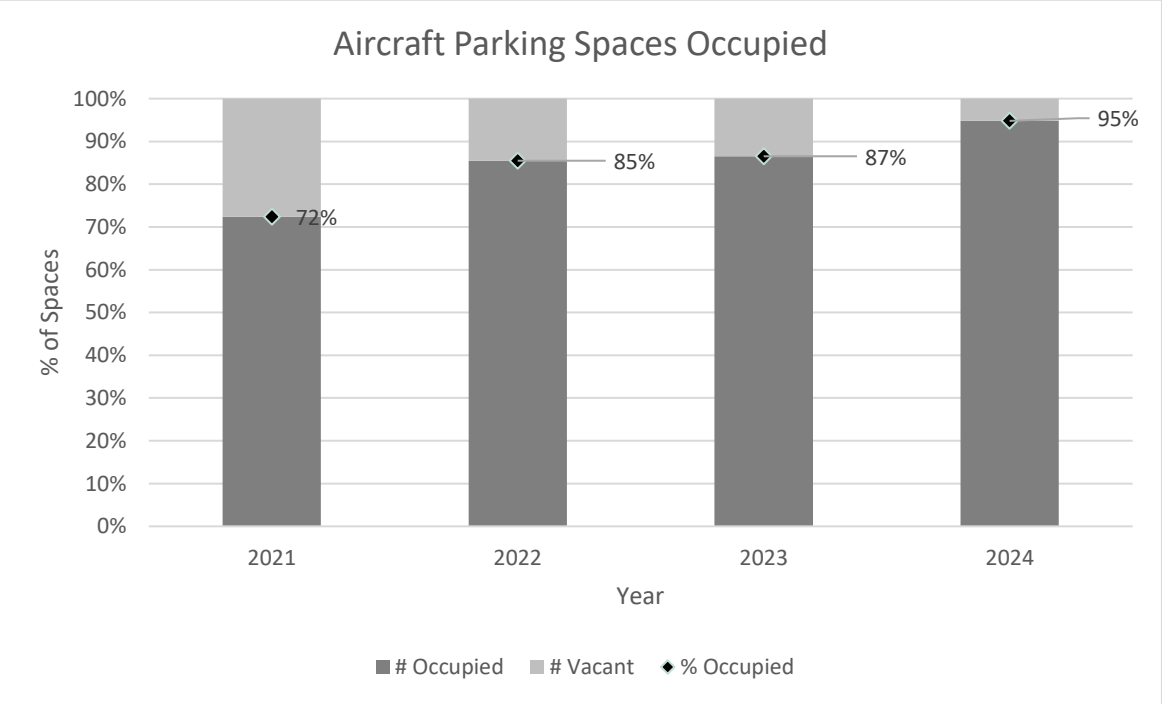
Core Services
- Maintain runways, taxiways, and aircraft parking aprons in a safe condition.
- Provide space to operate and park aircraft.
- Provide lease space for private enterprises to support air transportation.

Accomplishment Goals
- 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: Percent of Aircraft Parking Spaces Occupied

Spaces Available	2023 Actual	2Q Actual
423	366	409

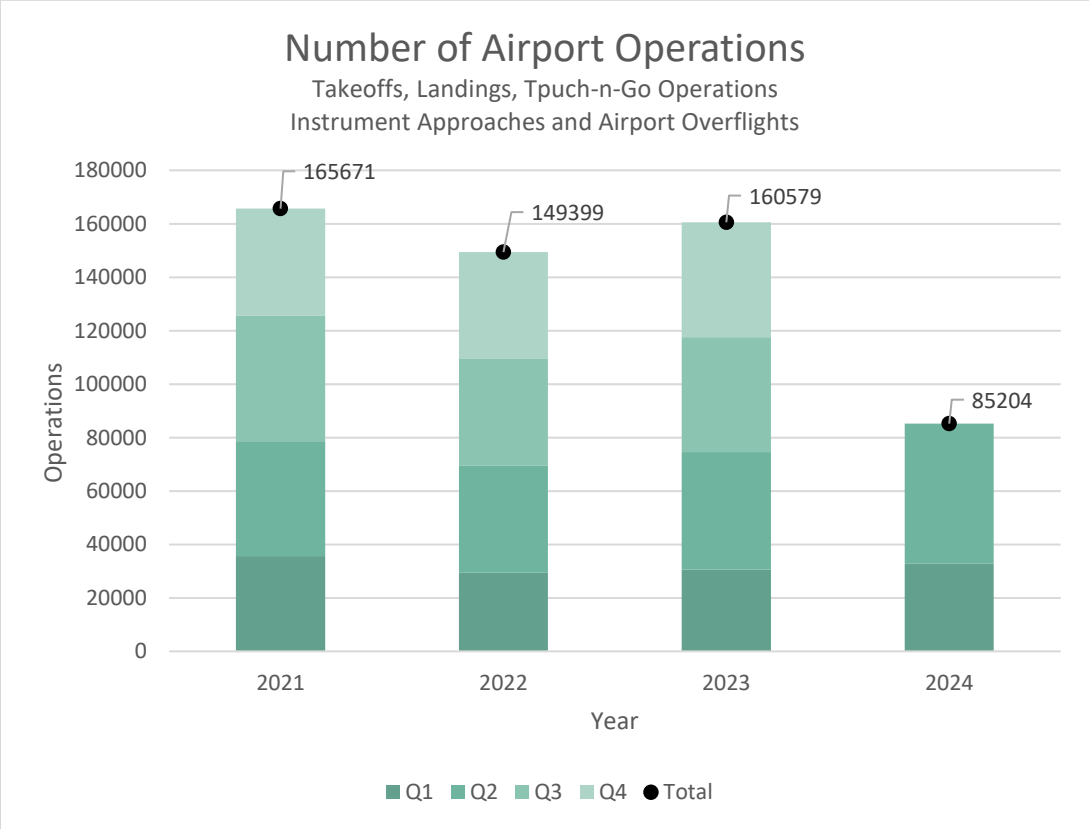


Measure #2: Percentage of Available Space, on Merrill Field Land, Currently Leased

Year	# Occupied	% Occupied	# Available	Waitlist
2020	50	100%	50	2
2021	54	100%	54	1
2022	54	100%	54	1
2023	55	100%	55	0
2024	55	100%	55	0

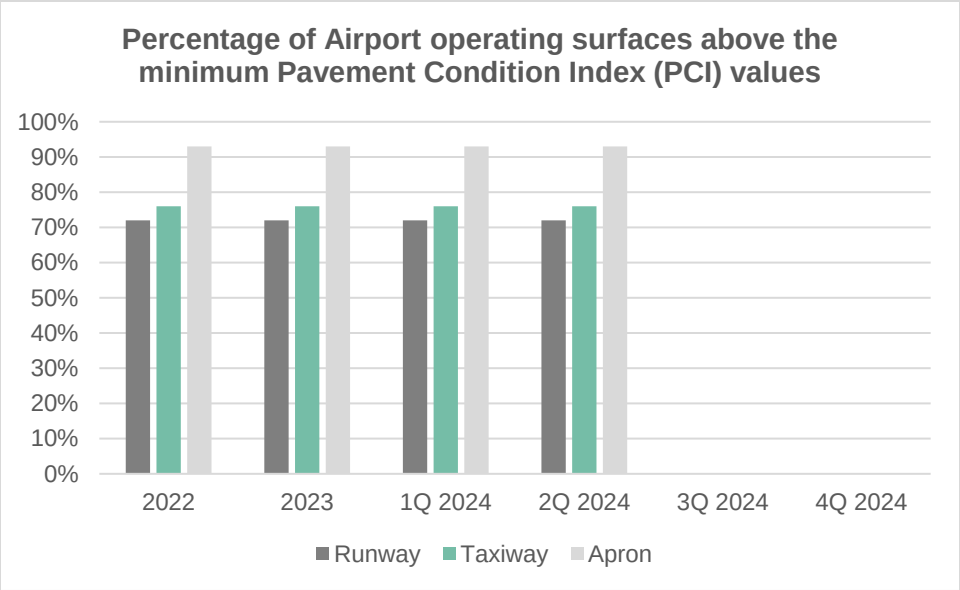
Measure #3: Number of Airport Operations (Takeoffs, landings, touch-n-go operations, instrument approaches and airport overflights)

2022 Actual	2023 Actual	2Q Actual
149,399	160,579	52,395



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

2Q Actual	2Q Actual	2Q Actual
Runway	**Taxiway**	**Apron**
72%	76%	93%

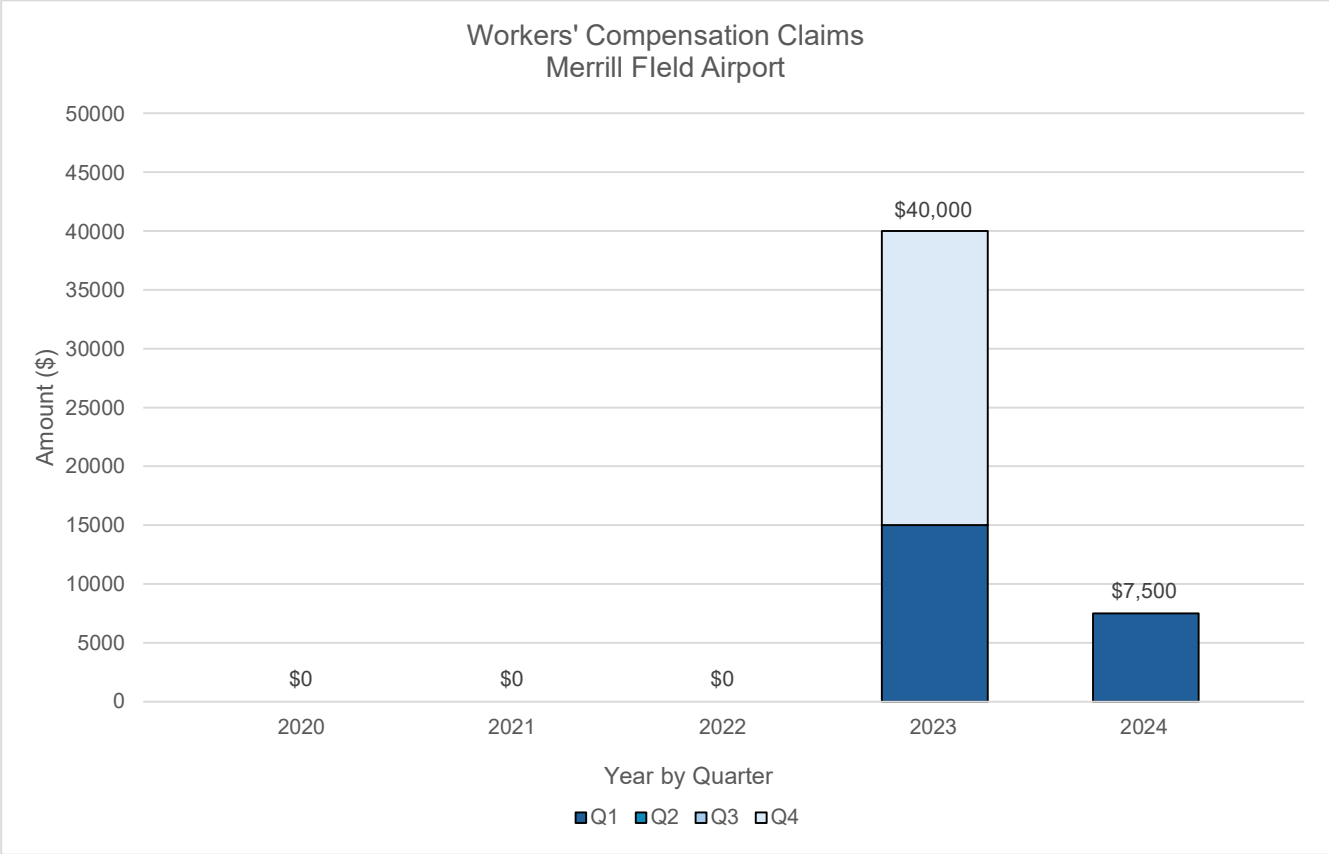


Measures the safety of the airport's pavement maintenance program by reporting the percentage of airport operating surfaces that are above established minimum Pavement Condition Index (PCI) values. (PCI of 70 or higher on Runways, and PCI of 60 or higher on Taxiways, Aprons, and Roadways on a scale of 1 – 100, with 100 being the best condition.)

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 General Aviation 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 National Environmental Policy Act, Clean Water Act, Clean Air Act, Civil Rights Act, Americans with Disabilities Act, Community Right to Know, and Underground Storage Tank Regulations 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
- 2.5 miles of fence line
- 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 are part of the 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
2020 – 245,283 operations
2021 – 285,887 operations
2022 – 277,121 operations
2023 – 278,325 operations

Merrill Field MRI
2020 – 149,639 operations
2021 – 165,671 operations
2022 – 149,399 operations
2023 – 160,579 operations

Fairbanks FAI
2020 – 96,543 operations
2021 – 102,769 operations
2022 – 103,640 operations
2023 – 102,993 operations

Juneau JNU
2020 – 44,398 operations
2021 – 55,755 operations
2022 – 79,967 operations
2023 – 93,514 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

The Municipality of Anchorage, through Merrill Field (MRI), has been the recipient of a significant infusion of funds over the last three years. The Federal Aviation Administration (FAA) invested approximately $20 million through Coronavirus Response and Relief Supplemental Appropriations Act (CARES) Funding, for airport infrastructure and operation reimbursements.
These funds were used for the following purposes:

1. New equipment purchases were made possible for airport maintenance, saving millions in future capital requests. New motor graders, front end loaders, and tooling was purchased to replacing older and worn-out equipment.
2. The addition of five new approach and departure instruments into MRI to lower weather minimums. This allows the commercial Part-135 operators to depart and arrive with their passengers without diverting to Ted Stevens Anchorage International Airport on low visibility days.
3. The Airport's maintenance facility will receive a much-needed roof replacement in the last quarter of 2024/2025.
4. The Airport Layout Plan (ALP) and the Master Plan are near completion.
5. Airport Manager's Office received a major refurbishment.
6. Merrill Field Drive was repaved.
7. A facelift for an Orca Street property was accomplished.

Additional funds through CARES ($1,009,042) will cover large portions of MRI's operating expenses for 2025 and 2026 respectively.

New Manager
Earl Malpass was hired by the Municipality to assume the responsibilities as the Airport Manager and approved by the Assembly on August 27th, 2024.

Manager's Priorities for Future Events
The strategies to accomplish the goals at MRI are a priority for the Airport Manager. The timing to accomplish those goals are planned as follows:
2024 - 4th Quarter - Establish planning team for Merrill Field Centennial Celebration (2030) and establish team to re-think the MRI and Orca Street corridor.
2025- 1st Quarter - Complete review of all MRI lease rates, philosophy, and explore options of additional revenue streams. Working with Office of Management and Budget (OMB), clarify CARES Act funding effect on MRI's fund balance.
2025 – 2nd Quarter - Complete an Economic Impact Study on MRI's impact to Anchorage and State of Alaska.
2025 – 4th Quarter - Complete the FAA grant funded project, Runway 8/26 Refurbishment.
2026 – 4th Quarter - Complete the Taxiway and lighting refurbishment.

MRI does not propose an increase in rates for 2025. For informational purposes, the table below shows historic rates for MRI.

Merrill Field Airport
Historical Rates

Years	Lease Rate Sq Ft/Year	Tail-In Space/Month	Drive-Through Space/Month
1995 - 2003	$0.150	$40.00	$50.00
2004	$0.160	$45.00	$55.00
2005 - 2006	$0.160	$50.00	$60.00
2007 - 2011	$0.170	$55.00	$65.00
2012 - 2013	$0.190	$60.00	$70.00
2014 - 2018	$0.200	$60.00	$70.00
2019 - 2025	$0.240	$70.00	$80.00

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 150,000 flight operations per year, MRI is the major general aviation link between Anchorage and surrounding rural communities. With over 50 aviation businesses and 800+ 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 Hospital). Additionally, there is an adjacent heliport serving the hospital. 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/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, the city has grown around and near the airport. 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 airport implemented the MRI Runway Safety Program to improve operational procedures and to pursue numerous Federal Aviation Administration (FAA) capital improvements in an attempt to curb the 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. MRI's 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 Anchorage, 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 $1 million AIP (Airport Improvement Program) funding per year for these previously approved projects. However, from year-to-year, the FAA's priorities change.

Thus, the determining factors in Merrill Field's CIP is for the ask of the FAA to match the FAAs own priorities for any given year. In short, although MRI creates the "wish list," the FAA decides which projects in the Merrill Field CIP will or will not be funded.

Significant Projects
Merrill Field finishing the Rehabilitate Runway 07/25 Design in 2024. The construction grant was applied for in 2024 and the department anticipates a grant award before year end. The construction work will begin in Spring of 2025.

Merrill Field is eligible to apply for a new piece of snow removal equipment in 2025.

Merrill Field Airport
8 Year Summary
($ in thousands)

Financial Overview	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	2,071	1,792	2,061	2,000	2,100	2,200	2,300	2,400
Expenses and Transfers [1]	4,392	3,901	4,310	4,050	4,100	4,200	4,300	4,400
Net Income (Loss)	**(2,321)**	**(2,109)**	**(2,249)**	**(2,050)**	**(2,000)**	**(2,000)**	**(2,000)**	**(2,000)**
Charges by/to Other Departments	(1,332)	(993)	(1,088)	(250)	(250)	(250)	(100)	(100)
Municipal Enterprise/Utility Service Assessment	63	70	63	64	65	66	67	68
Dividend to General Government	-	-	-	-	-	-	-	-
Transfers to General Government [2]	**(1,269)**	**(923)**	**(1,025)**	**(186)**	**(185)**	**(184)**	**(33)**	**(32)**
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	62,698	58,070	60,000	62,000	63,000	64,000	65,000	67,000
Capital Assets Beginning Balance	128,331	128,000	128,000	128,000	128,000	128,000	128,000	128,000
Asset Additions Placed in Service	(3,693)	(1,000)	(1,000)	(1,000)	(1,000)	-	-	-
Assets Retired	478.0	-	0.5	0.5	0.2	0.2	0.2	0.2
Change Depreciation (Increase)/Decrease	(43,042)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
Net Capital Assets (12/31)	**85,289**	**126,990**	**126,991**	**126,991**	**126,990**	**127,990**	**127,990**	**127,990**
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	0.0%	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	$70	$70	$70	$70	$70	$70
Drive-Through Space/Month	$80	$80	$80	$80	$80	$80	$80	$80
Based Aircraft	843	843	843	843	843	843	843	843
Municipal Tiedowns	423	423	423	423	423	423	423	423
Flight Operations/Year	160,579	155,000	160,000	160,000	160,000	160,000	160,000	160,000
National Airport Ranking by Yr	96th	128th	128th	128th	128th	128th	128th	128th

[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

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Airport Lease Fees	1,160,489	1,149,000	(506,950)	642,050	129,000	771,050	20.09%
Permanent Parking Fees	401,292	375,000	(25,000)	350,000	50,000	400,000	14.29%
Transient Parking Fees	7,521	5,000	3,500	8,500	(500)	8,000	-5.88%
Vehicle Parking Fees	69,769	70,000	6,000	76,000	(6,000)	70,000	-7.89%
MOA Aviation Fuel Fees	145,065	120,000	-	120,000	-	120,000	0.00%
SOA Aviation Fuel Fees	30,151	(28,000)	56,000	28,000	2,000	30,000	7.14%
Medevac Taxiway Fees	122,176	(64,000)	126,000	62,000	2,000	64,000	3.23%
Miscellaneous	13,398	6,000	5,000	11,000	(2,000)	9,000	-18.18%
Total Operating Revenue	**1,949,861**	**1,633,000**	**(335,450)**	**1,297,550**	**174,500**	**1,472,050**	**13.45%**
Non Operating Revenue							
Operating Grant Revenue	123,338	158,942	-	158,942	10,058	169,000	6.33%
Investment Income	(2,826)	-	519,950	519,950	(100,000)	419,950	-19.23%
Other Income	411	-	-	-	-	-	0.00%
Total Non Operating Revenue	**120,922**	**158,942**	**519,950**	**678,892**	**(89,942)**	**588,950**	**-13.25%**
Total Revenue	**2,070,783**	**1,791,942**	**184,500**	**1,976,442**	**84,558**	**2,061,000**	**4.28%**
Operating Expense							
Salaries and Benefits	1,047,886	999,106	400,660	1,399,766	62,660	1,462,426	4.48%
Overtime	24,319	15,000	(6,558)	8,442	-	8,442	0.00%
Total Labor	1,072,205	1,014,106	394,102	1,408,208	62,660	1,470,868	4.45%
Supplies	193,194	159,988	(43,988)	116,000	41,000	157,000	35.34%
Travel	2,167	-	-	-	-	-	0.00%
Contractual/Other Services	624,169	609,924	(102,074)	507,850	57,000	564,850	11.22%
Equipment/Furnishings	9,940	-	2,000	2,000	-	2,000	0.00%
Dividend to General Government	-	-	100,000	100,000	-	100,000	0.00%
Manageable Direct Cost Total	829,470	769,912	(44,062)	725,850	98,000	823,850	13.50%
Municipal Enterprise/Utility Service Assessment	63,291	70,074	-	70,074	(7,105)	62,969	-10.14%
Depreciation/Amortization	3,758,652	3,040,323	-	3,040,323	-	3,040,323	0.00%
Non-Manageable Direct Cost Total	3,821,943	3,110,397	-	3,110,397	(7,105)	3,103,292	-0.23%
Charges by/to Other Departments	(1,331,758)	(993,045)	(86,264)	(1,079,309)	(8,926)	(1,088,235)	0.83%
Total Operating Expense	**4,391,861**	**3,901,370**	**263,776**	**4,165,146**	**144,629**	**4,309,775**	**3.47%**
Non Operating Expense							
Total Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Total Expense	**4,391,861**	**3,901,370**	**263,776**	**4,165,146**	**144,629**	**4,309,775**	**3.47%**
Net Income (Loss)	**(2,321,077)**	**(2,109,428)**	**(79,276)**	**(2,188,704)**	**(60,071)**	**(2,248,775)**	**2.74%**
Appropriation:							
Total Expense		**3,901,370**	**263,776**	**4,165,146**	**144,629**	**4,309,775**	**3.47%**
Less: Non Cash Items							
Depreciation/Amortization		3,040,323	-	3,040,323	-	3,040,323	0.00%
Total Non-Cash		3,040,323	-	3,040,323	-	3,040,323	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**861,047**	**263,776**	**1,124,823**	**144,629**	**1,269,452**	**12.86%**

Merrill Field Airport
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

	Expenses	Positions FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**1,124,823**	**11**	**-**	**-**
2024 One-Time Requirements				
- REVERSE ONE-TIME 2024 1Q - $1K 2024 retention bonus for all NON Rep Employees	(1,000)	-	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	(8,926)	-	-	-
- Municipal Enterprise Service Assessment (MESA)	(7,105)	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and Benefits Adjustments	63,660	-	-	-
2025 Continuation Level	**1,171,452**	**11**	**-**	**-**
2025 Proposed Budget Changes				
- Fuel	37,000	-	-	-
- Grounds Maintenance Services	10,000	-	-	-
- Wireless Phone Services	3,000	-	-	-
- Public Utility Services	32,000	-	-	-
- Insurance	16,000	-	-	-
2025 Proposed Budget	**1,269,452**	**11**	**-**	**-**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2025 Proposed Budget (Appropriation)	**1,269,452**	**11**	**-**	**-**
	2025 Proposed FTE			
	11.00	**11.00**	**-**	**-**

Merrill Field Airport
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Acquire Safety and/or Security Equipment (RSAT Phase 6)	-	-	218	15	233
Acquire Snow Removal Equipment	-	-	885	59	944
Rehabilitate Taxiway A and Taxiway N - Design	-	-	1,241	83	1,324
Total	**-**	**-**	**2,344**	**157**	**2,501**

Merrill Field Airport
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Equipment						
Acquire Snow Removal Equipment	2025	-	-	885	59	944
Facilities						
Maintenance SREB Building Improvements	2026	-	-	4,576	306	4,882
Safety Improvements						
Rehabilitate Taxiway A	2027	-	-	7,570	505	8,075
Rehabilitate Taxiway A and Taxiway N - Design	2025	-	-	1,241	83	1,324
Rehabilitate Taxiway N - Construction	2026	-	-	6,646	443	7,089
Security						
Acquire Safety and/or Security Equipment (RSAT Phase 6)	2025	-	-	218	15	233
	2026	-	-	1,927	129	2,056
		-	-	2,145	144	2,289
	Total	**-**	**-**	**23,063**	**1,540**	**24,603**

Acquire Snow Removal Equipment

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

Description

The existing snow removal equipment (SRE) owned by Merrill Field Airport (MRI) Maintenance has exceeded the minimum useful life and are in need of replacement. Spare parts for MRI's existing SRE are either no longer in production or are in short supply with prolonged lead times, often inhibiting MRI Maintenance's ability to remove snow in a timely manner and being forced to outsource. It is no longer cost-effective for MRI to use the existing SRE and the timeliness of snow removal is a safety concern. A new blower with appropriate attachments is necessary to ensure that the airport remains safe for its users during the winter seasons.

Federal funding share is 93.75%, Merrill Field share is 6.25%.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	885	-	-	-	-	-	885
Net Position	580800 - Merrill Field Airport Capital Contr	59	-	-	-	-	-	59
Total (in thousands)		**944**	**-**	**-**	**-**	**-**	**-**	**944**

Airport Security Improvements - Design

Project ID	MF2021010	**Department**	Merrill Field Airport
Project Type	New	**Start Date**	January 2025
District	Assembly: Section 1, Downtown, Seat B & L, Assembly: Areawide	**End Date**	December 2026
Community Council	Airport Heights, Fairview		

Description

This project will include the design necessary for improvements to the existing airport vehicle security gate operators that have exceed their useful life, require continual maintenance, and warrant repair. In addition to the gate operator repair work, some gates may warrant a relocation to allow for an increase in airport capacity (i.e. additional vehicle parking and aircraft tie-down spaces).

Federal Aviation Administration funding share is 93.75%, Merrill Field share is 6.25%.

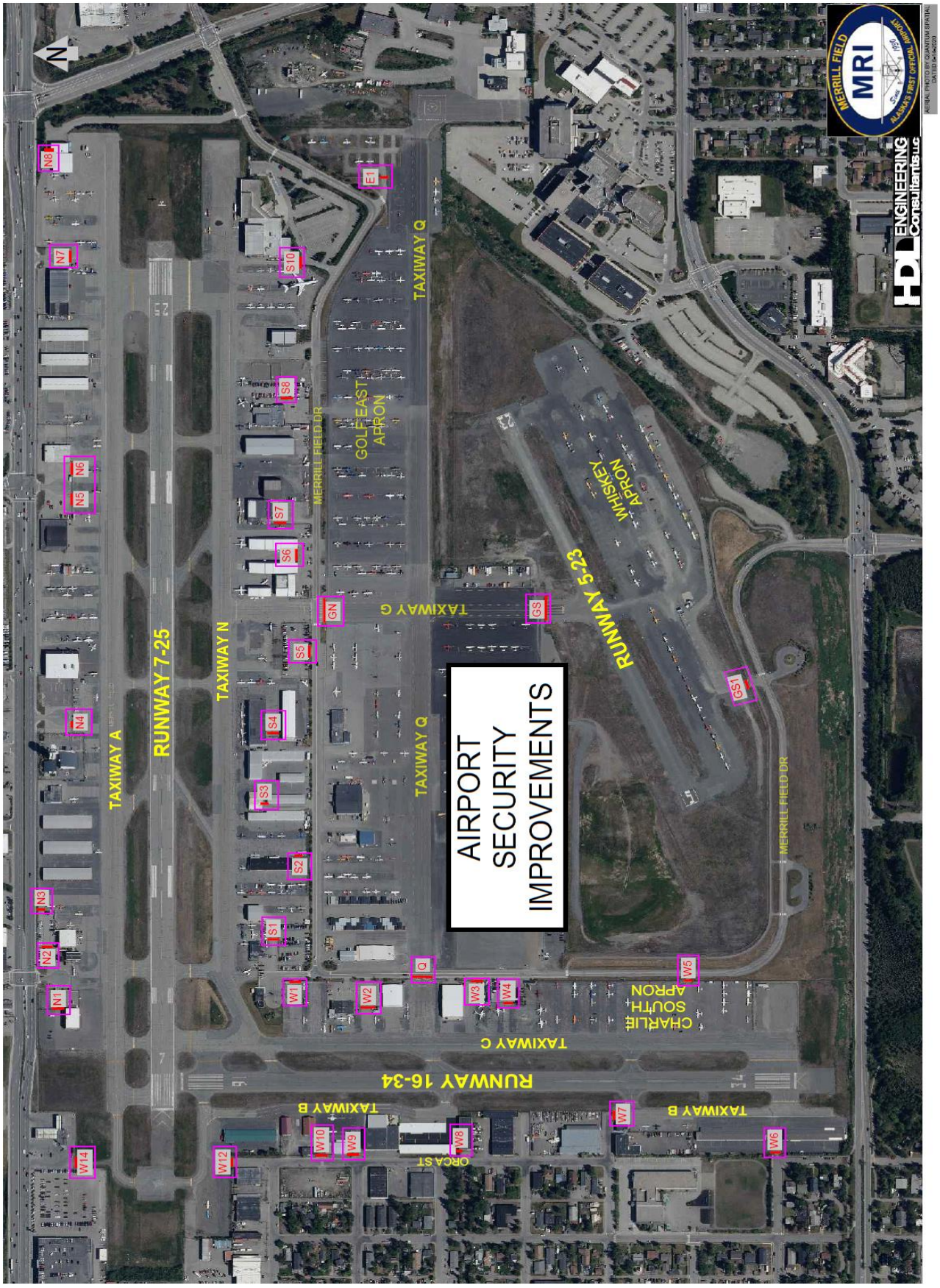
See the next page for map of security improvements planned.

Comments

The grant application will be submitted in 2025 to begin the design work.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	218	1,927	-	-	-	-	2,145
Net Position	580800 - Merrill Field Airport Capital Contr	15	129	-	-	-	-	144
Total (in thousands)		**233**	**2,056**	**-**	**-**	**-**	**-**	**2,289**


AIRPORT SECURITY IMPROVEMENTS
RUNWAY 7-25
RUNWAY 5-23
RUNWAY 16-34
TAXIWAY A
TAXIWAY N
TAXIWAY Q
TAXIWAY G
TAXIWAY C
TAXIWAY B
GOLF/EAST APRON
WHISKEY APRON
CHARLIE SOUTH APRON
MERRILL FIELD DR
ORCA ST
MERRILL FIELD
MRI
HDL ENGINEERING Consultants LLC

Maintenance Building and Snow Removal Equipment Building Improvements

Project ID	MF2024003	**Department**	Merrill Field Airport
Project Type	Improvement	**Start Date**	January 2026
District	Assembly: Section 1, Downtown, Seat B & L, Assembly: Areawide	**End Date**	December 2030
Community Council	Airport Heights, Fairview		

Description

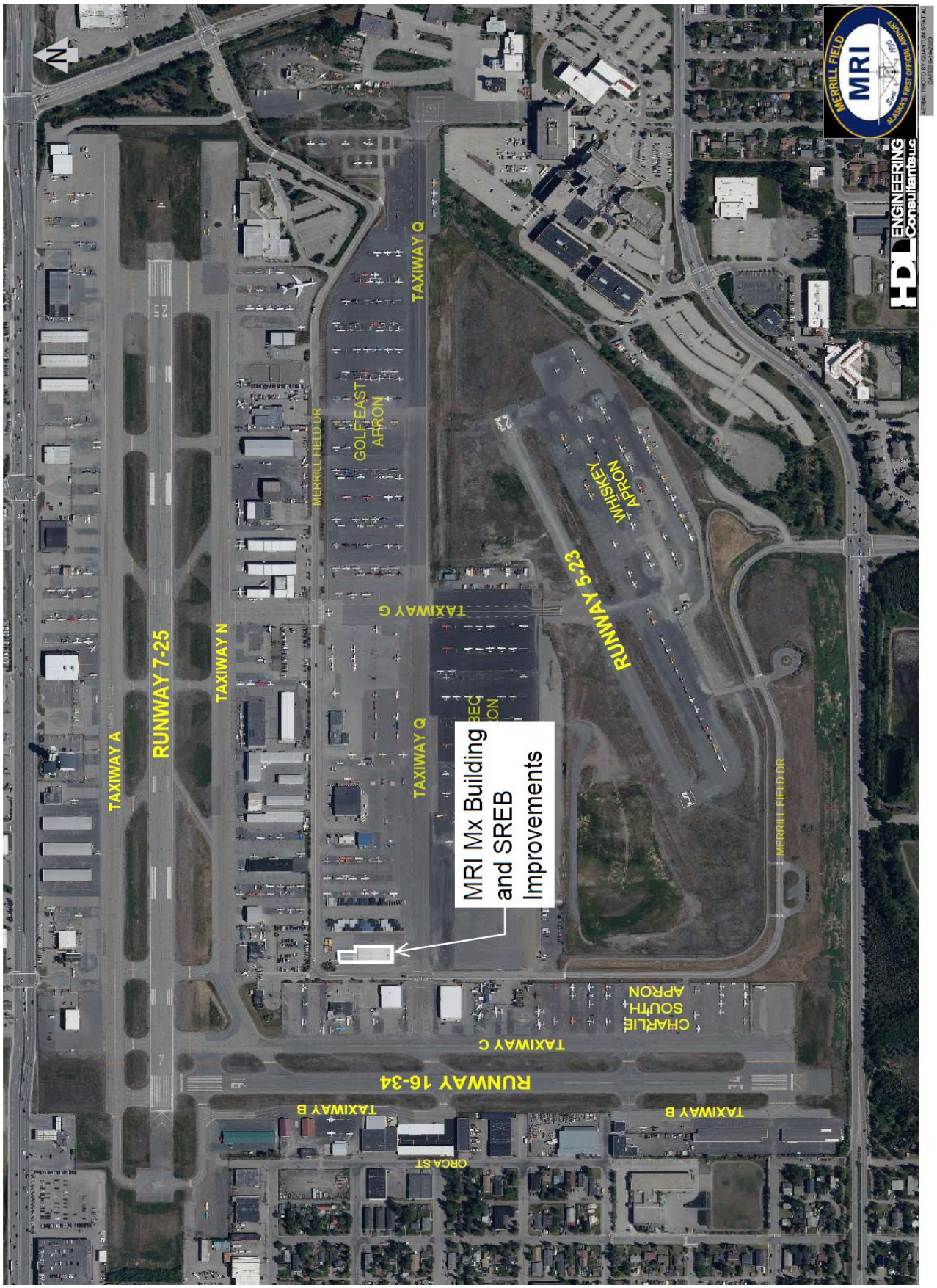
In May and June 2021, a building overview level survey of eleven buildings owned by Merrill Field Airport (MRI) was performed to evaluate existing conditions of the structures, many of which are over 40 years old. In several cases, conditions were observed that require deeper investigation due to complicated code or further structural evaluation. In all cases the buildings are aging and in need of maintenance and/or code deficiency correction. The results of the building assessments are summarized in the MRI Building Assessment Report dated December 10, 2021, that itemizes deficiencies and outlines recommended repairs and improvements. Under this project, the MRI Maintenance Building (inclusive of the Snow Removal Equipment Building) will receive improvements. The project includes engineering services and construction of the building repairs and improvements to the extent possible with the funding available. Engineering services include preparation of construction documents, preparation of environmental documents, bidding assistance, and construction administration.

Federal Aviation Administration funding share is 93.75%, MRI share is 6.25%.

See the next page to locate the buildings on the MRI map.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	4,576	-	-	-	-	4,576
Net Position	580800 - Merrill Field Airport Capital Contr	-	306	-	-	-	-	306
Total (in thousands)		**-**	**4,882**	**-**	**-**	**-**	**-**	**4,882**


MRI Mx Building and SREB Improvements
RUNWAY 7-25
RUNWAY 5-23
RUNWAY 16-34
TAXIWAY A
TAXIWAY N
TAXIWAY Q
TAXIWAY G
TAXIWAY C
TAXIWAY B
GOLF EAST APRON
WHISKEY APRON
CHARLIE SOUTH APRON
MERRILL FIELD DR
ORCA ST
MERRILL FIELD
MRI
HDL ENGINEERING Consultants LLC

Rehabilitate Taxiway A and Taxiway N - Design

Project ID	MF2024001	**Department**	Merrill Field Airport
Project Type	Rehabilitation	**Start Date**	January 2024
District	Assembly: Section 1, Downtown, Seat B & L, Assembly: Areawide	**End Date**	December 2026
Community Council	Airport Heights, Fairview		

Description

This project will include design and planning services required for the rehabilitation of Taxiways "A" and "N", and all interlink taxiways adjacent to Runway 07/25. Work will also include preliminary design for the relocation of the existing compass calibration pad. Project scope includes environmental, geotechnical, survey, design engineering services and other related work.

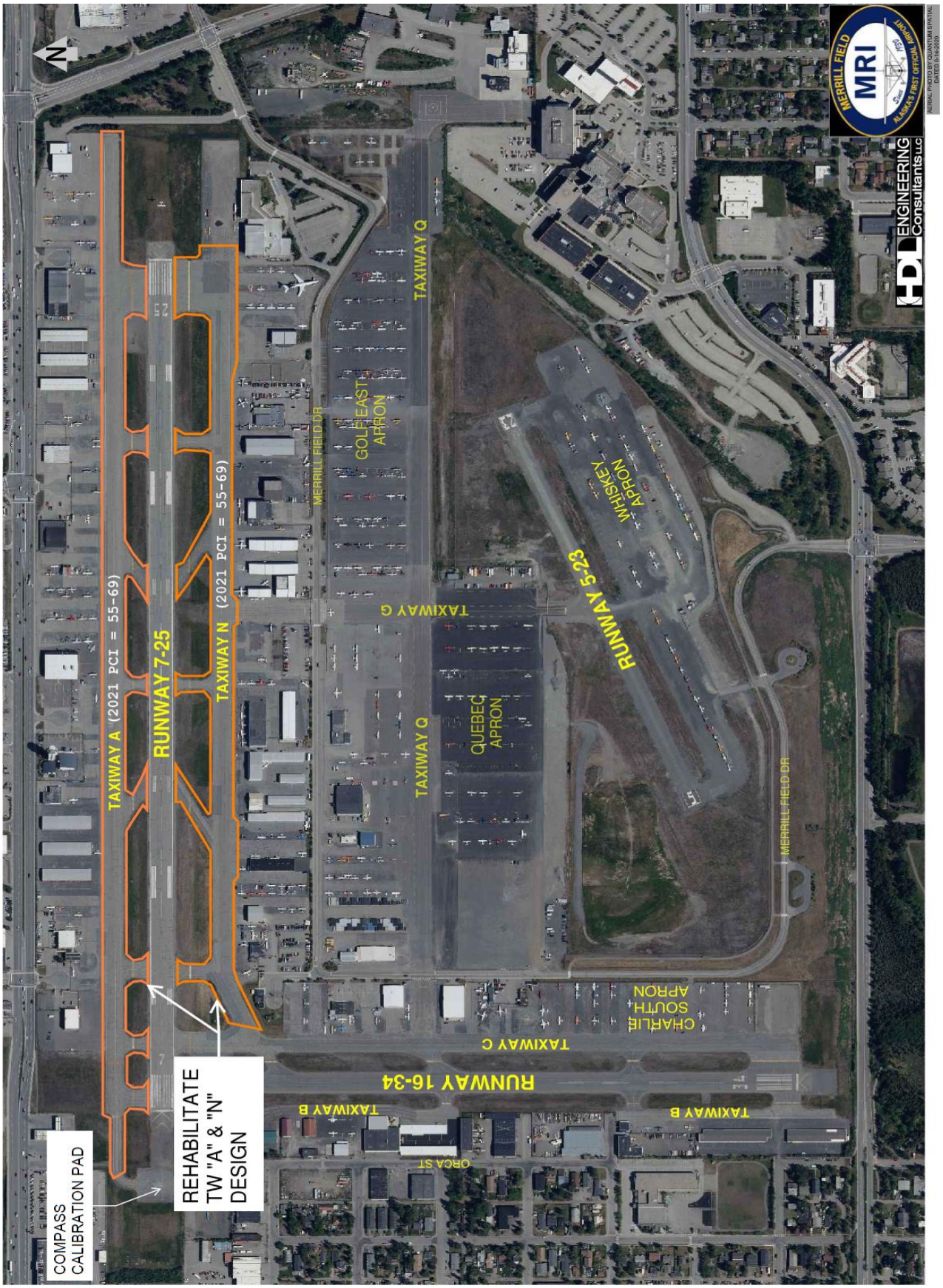
Rationale: Taxiway “A" and "N" have exceeded life expectancy. Taxiway interlinks adjacent to Runway 07/25 are also in poor condition and in need of repairs. These improvements will provide safer airport operations and decrease maintenance efforts. The compass calibration pad is currently located within the Runway 07/25 Safety Area and directly underneath the runway protection zone. The pad should be relocated to a safer location within the airport.

Federal Aviation Administration funding share is 93.75%, Merrill Field (MRI) share is 6.25%.

See the next page to locate the Taxiway A and N on the MRI map.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	1,241	-	-	-	-	-	1,241
Net Position	580800 - Merrill Field Airport Capital Contr	83	-	-	-	-	-	83
Total (in thousands)		**1,324**	**-**	**-**	**-**	**-**	**-**	**1,324**


N
TAXIWAY A (2021 PCI = 55-69)
RUNWAY 7-25
TAXIWAY N (2021 PCI = 55-69)
TAXIWAY Q
MERRILL FIELD DR
GOLF EAST APRON
TAXIWAY G
TAXIWAY Q
QUEBEC APRON
WHISKEY APRON
RUNWAY 5-25
MERRILL FIELD DR
CHARLIE SOUTH APRON
TAXIWAY C
RUNWAY 16-34
TAXIWAY B
TAXIWAY B
ORCA ST
COMPASS CALIBRATION PAD
REHABILITATE TW "A" & "N" DESIGN
MERRILL FIELD
MRI
ALASKA'S FIRST OFFICIAL AIRPORT
HDL ENGINEERING Consultants LLC

Rehabilitate Taxiway N - Construction

Project ID	MF2021015	**Department**	Merrill Field Airport
Project Type	Rehabilitation	**Start Date**	January 2026
District	Assembly: Section 1, Downtown, Seat B & L, Assembly: Areawide	**End Date**	December 2028
Community Council	Airport Heights, Fairview		

Description

This project will include rehabilitation of the taxiway subgrade and pavement surface. Other improvements will include upgrades to the existing taxiway edge lighting system, new pavement markings, and other related work.

Rationale: Taxiway “N” has exceeded its life expectancy. Taxiway interlinks adjacent to Runway 07/25 are also in poor condition and in need of repairs.

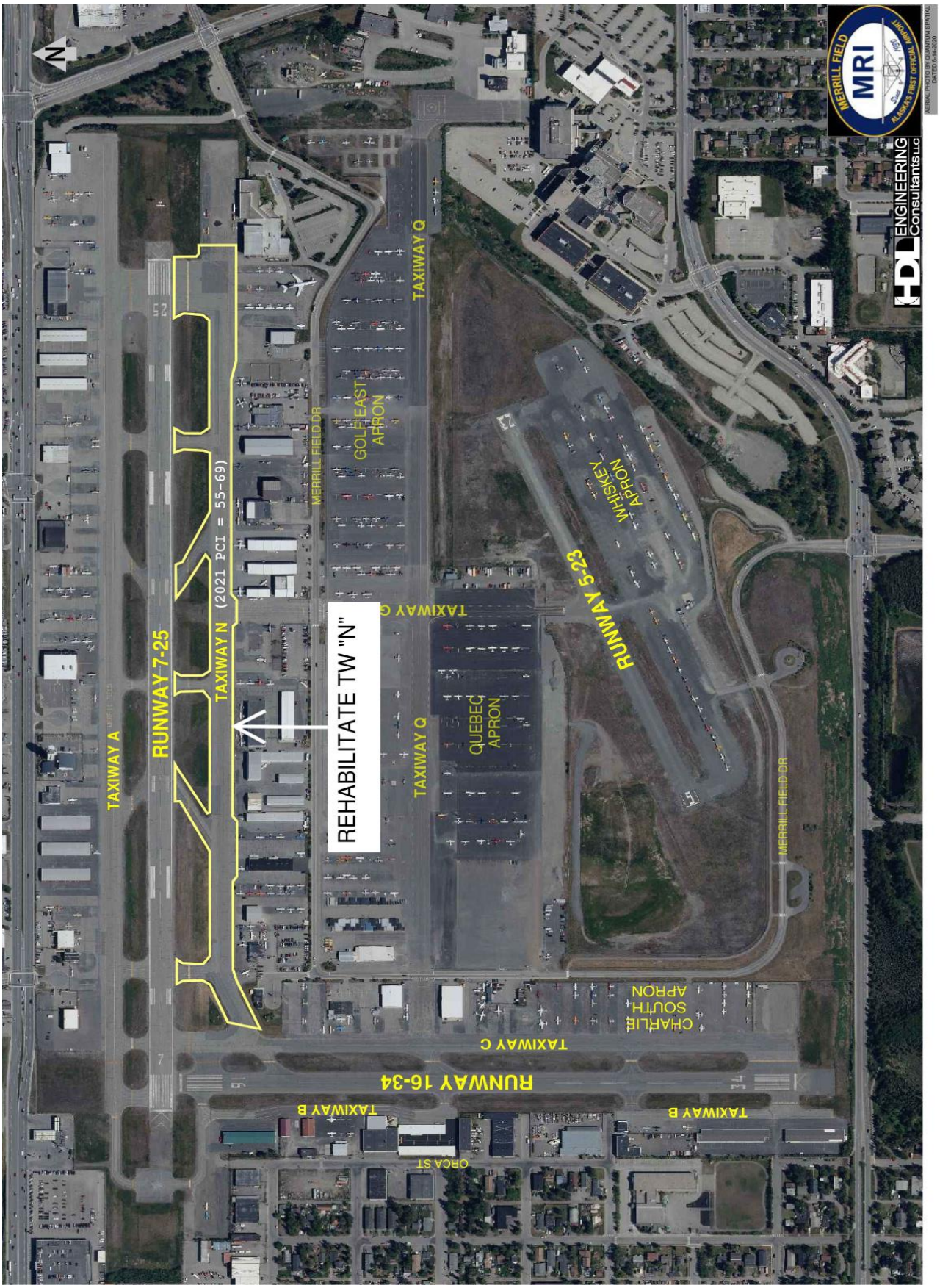
Improvements to Taxiway “N” and its adjacent interlinks will provide safer airport operations and mitigate maintenance efforts.

Federal Aviation Administration funding share is 93.75%, Merrill Field (MRI) share is 6.25%.

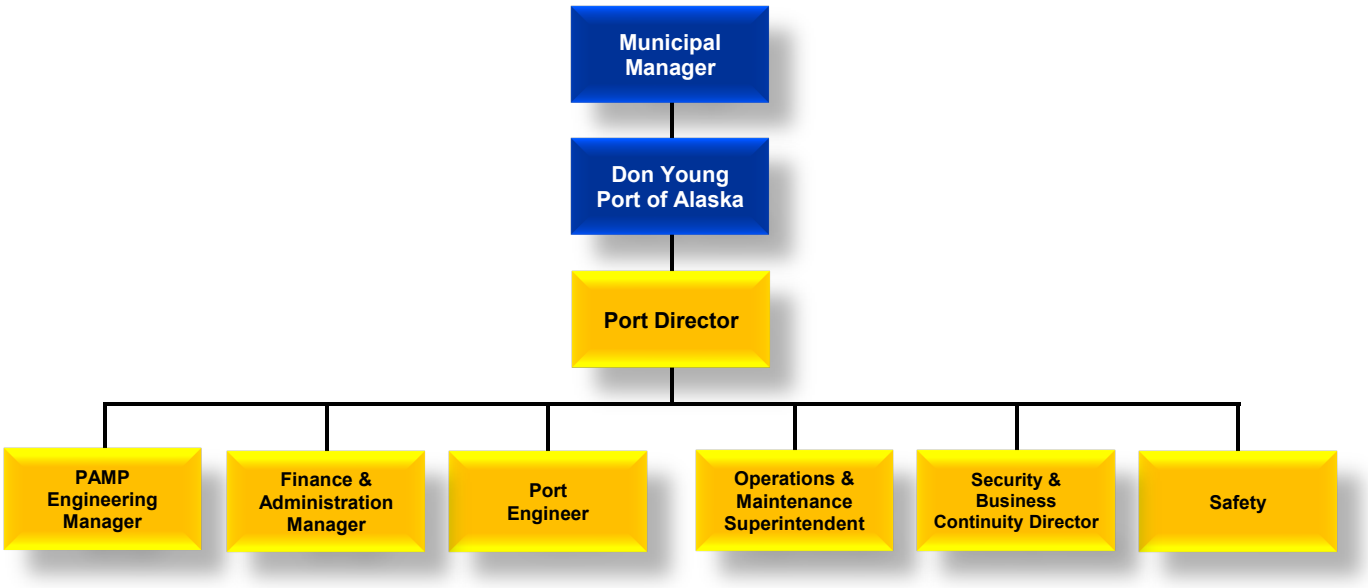
See the next page to locate the Taxiway N on the MRI map.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Federal Grant Revenue-Direct	580900 - Merrill Field Airport Capital Grant	-	6,646	-	-	-	-	6,646
Net Position	580800 - Merrill Field Airport Capital Contr	-	443	-	-	-	-	443
Total (in thousands)		**-**	**7,089**	**-**	**-**	**-**	**-**	**7,089**


N
RUNWAY 7-25
TAXIWAY A
TAXIWAY N (2021 PCI = 55-69)
REHABILITATE TW "N"
TAXIWAY G
TAXIWAY Q
MERRILL FIELD DR
GOLF EAST APRON
WHISKEY APRON
RUNWAY 5-23
QUEBEC APRON
CHARLIE SOUTH APRON
TAXIWAY C
RUNWAY 16-34
TAXIWAY B
ORCA ST
MERRILL FIELD
MRI
HDL ENGINEERING Consultants LLC

Don Young Port of Alaska



Don Young Port of Alaska
Organizational Overview

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

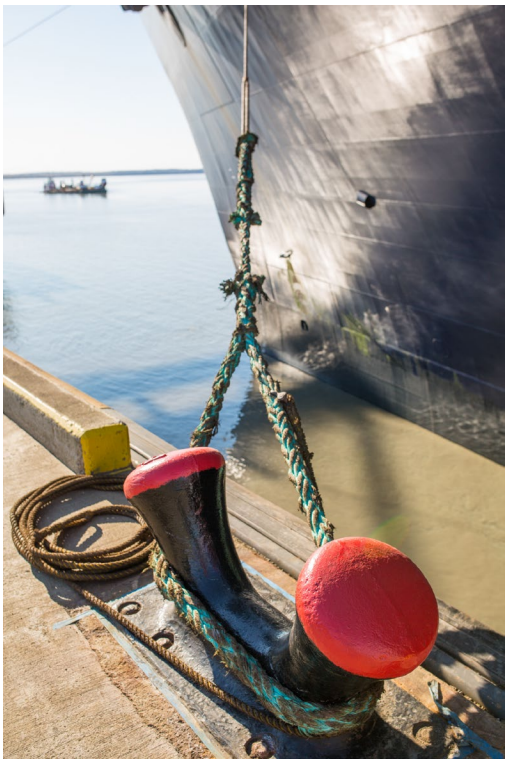


Photo taken by Andre Horton

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.

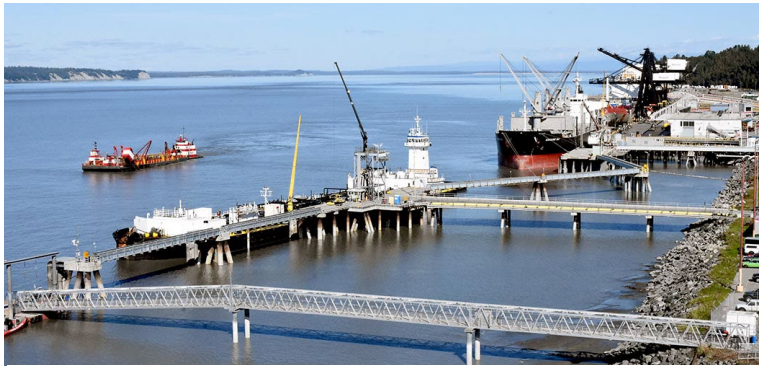
The Port of Alaska Modernization Program (PAMP) Engineering Manager serves as the Port's engineering subject matter expert and direct representative to the Municipality's PAMP Director (Deputy Municipal Manager) for all engineering aspects of the PAMP, to include providing guidance to the PAMP Director 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 for performing the day-to-day business functions supporting the Port and Municipality of Anchorage. These duties include all aspects of financial management (operating and capital budgets), real estate management, grants management, and procurement activities to ensure compliance with approved budgets. Duties performed by the staff in this section include receptionist duties, accounts payable and receivable and IT needs of the Port staff.

The Port Engineer develops and oversees all aspects of the existing port's infrastructure engineering requirements; directs the activities of port engineering services contractors; oversees Port construction contracts, including the multi-year engineering services contracts; provides input to the Port's capital budget planning; develops and maintains an engineering project tracking system; 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 in their role as Facility Security Officer; 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 business development opportunities; implementing the Port's marketing, educational and media outreach plans and materials; overseeing the Port's tour programs and special events; and is the point of contact for news events and government/legislative liaison activities.

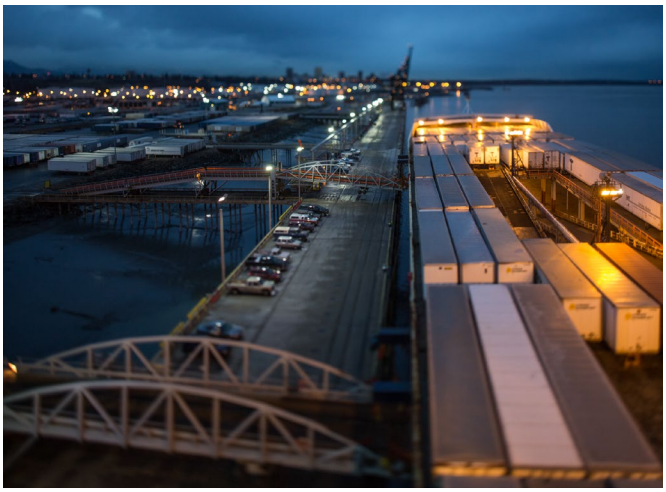


Photo taken by Andre Horton

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.


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

Don Young Port of Alaska
Business Plan

Mission

The Don Young 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, to support the Department of Defense as one of 18 Commercial Strategic Seaports, and to support federal and state disaster response and recovery plans as needed.

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 the land, docks, and municipal buildings that encompass the Port.

Business Goals

- Provide Port operating expertise and management to the Port of Alaska Modernization Program (PAMP) with the PAMP Engineering Manager 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 and PAMP surcharge rates sufficient to cover operating and capital requirements and to cover the Port's MESA, dividend, IGC obligations, and debt service coverage obligations to the Municipality.
- 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, break bulk, neo-bulk, and liquid bulk cargo.
2. Plan, develop, and operate facilities to accommodate market growth and modernization.
3. Monitor the scheduling of all vessels that call on the Port.
4. Provide centralized Port and tenant security services and emergency management leadership.
5. As a landlord port, manage short-term permits (revocable use permits) and long-term leases of land and buildings.
6. Maintain and ensure uninterrupted 24/7/365 availability of Port owned facilities.
7. Ensure environmental quality of the land within the Port boundaries
8. Assess and manage the collection of all tariffs and user fees associated with vessels calling on the Port and land tenant operations.
9. Manage Foreign Trade Zone (FTZ) 160 and all FTZ applicants.
10. Coordinate U.S. Army Corps of Engineers dredging of the channel, turning basin, and dock face to provide for safe commerce.
11. 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. Quarterly Tonnage compared over the last five years – measured in a year over year format by commodity.
2. Total ships visited compared over the last five years by categories (Container, Petroleum, Cement) – measured in a year over year format.
3. 5 Year Net Operating Income – compared in a year over year by quarter format.

Don Young 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.

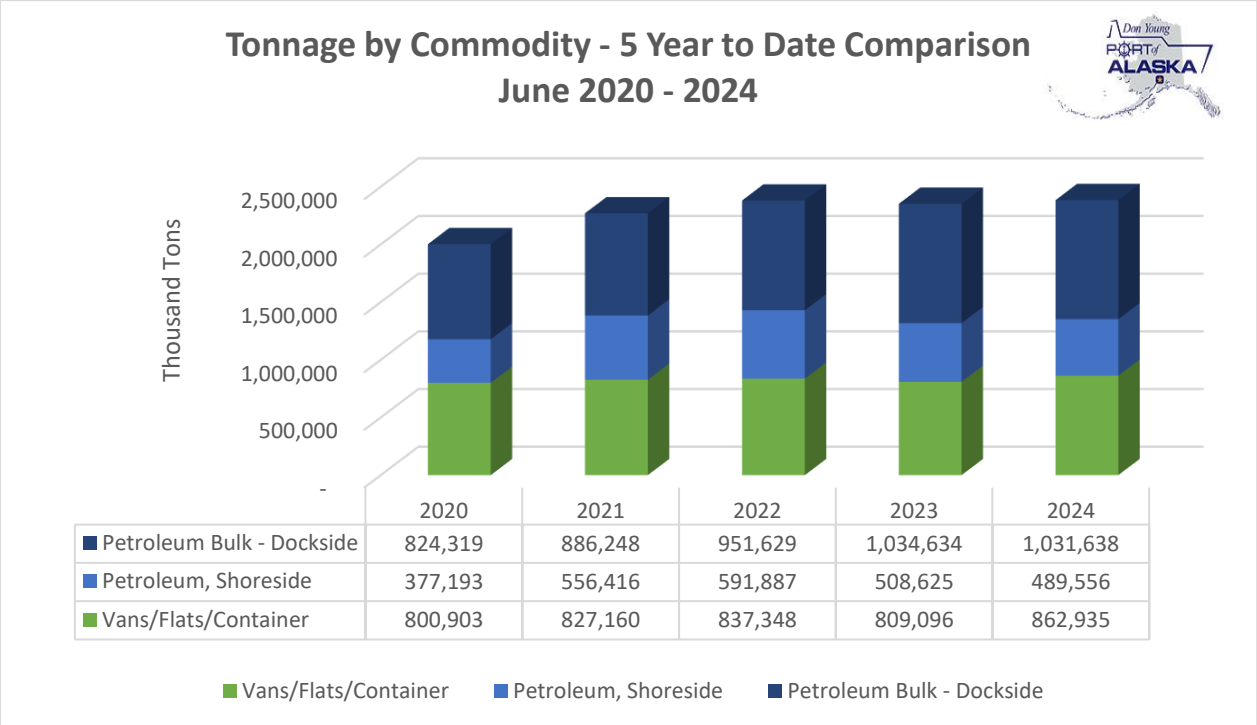
Accomplishment Goals

- Ensure continued maintenance and repair of existing port infrastructure to provide commodity delivery across the Port of Alaska dock.
- Inspect dock surface and common areas to ensure cranes, equipment and personnel can operate with minimal threat of damage.
- Ensure revenues generated support the Port's operations to include the coverage of debt service and critical operational maintenance.

Performance Measures

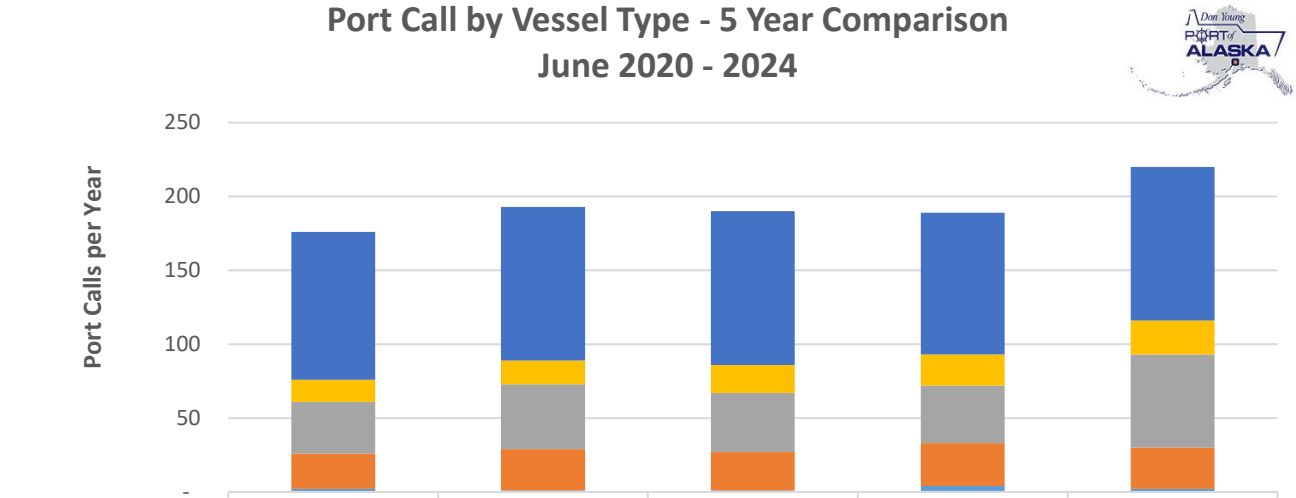
Progress in achieving goals will be measured by the following:

Performance Measure #1: Quarterly Tonnage compared over the last five years – measured in a year over year format by commodity.



	2020	2021	2022	2023	2024
Petroleum Bulk - Dockside	824,319	886,248	951,629	1,034,634	1,031,638
Petroleum, Shoreside	377,193	556,416	591,887	508,625	489,556
Vans/Flats/Container	800,903	827,160	837,348	809,096	862,935

Performance Measure #2: Total ships visited compared over the last five years by categories (Container, Petroleum, Cement) – measured in a year over year format.



	2020	2021	2022	2023	2024
Cargo Ship	100	104	104	96	104
Petroleum Tankers	15	16	19	21	23
Tugs	35	44	40	39	63
Petroleum Barges	24	28	26	29	28
Government Ship	2	1	1	4	2

Performance Measures #3: 5 Year Net Operating Income June 2020 - 2024

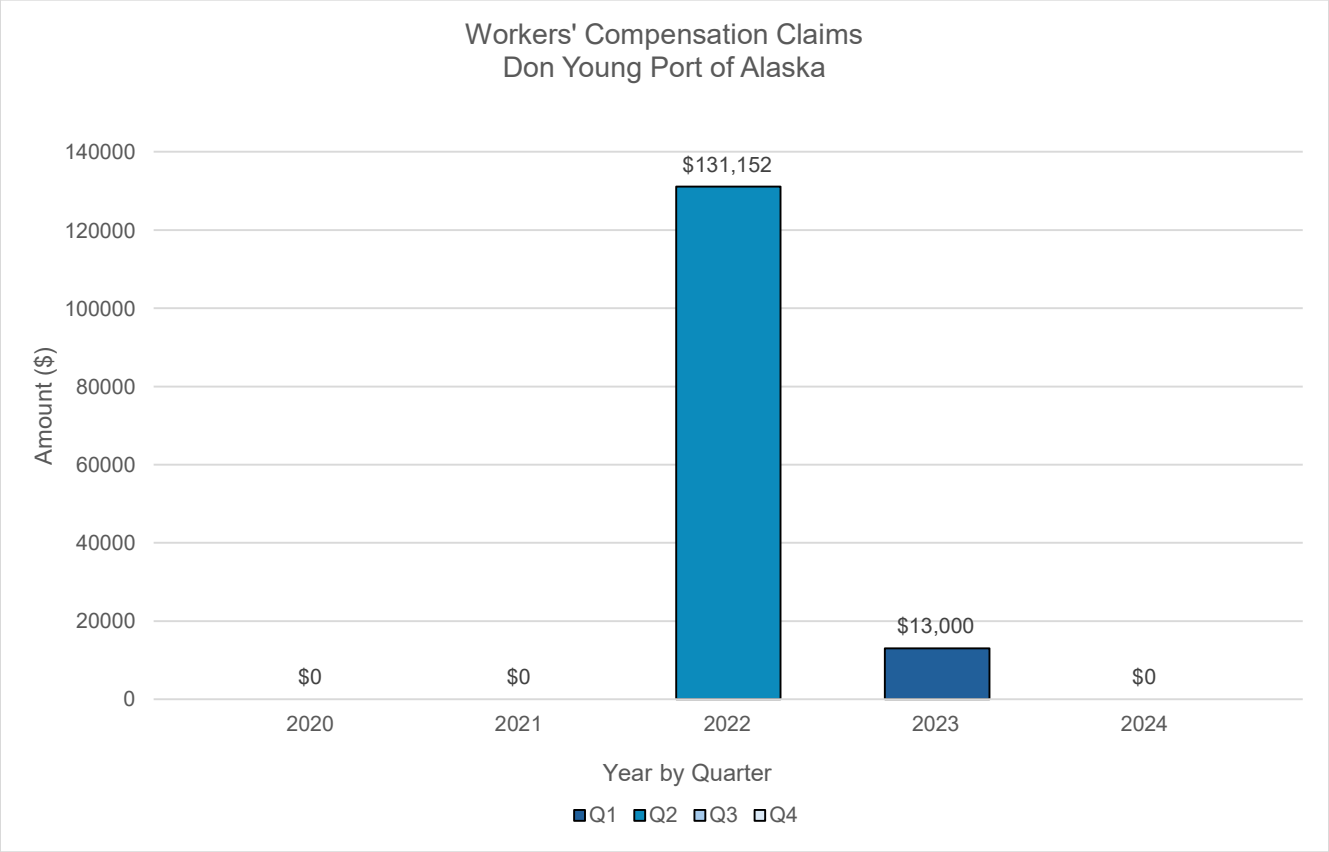
	2020	2021	2022	2023	2024
**Net Operating Income	$ 161,272	$ (3,074,788)	$ (241,951)	$ (3,972,121)	$ (3,844,030)
Total Cash Flow	$ 3,303,326	$ 894,107	$ 3,726,945	$ 6,918,896	$ 6,918,896

**Net Operating Income includes Depreciation expense (non-cash item) and Debt Service Payments

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 Don Young Port of Alaska

History
The Don Young 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 supply chain. This chain enables residents statewide, from Cordova to Utqiagvik, 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 our six decades of operation. The Port is one of 18 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. On June 9, 2024, the Port's name was officially changed again to Don Young Port of Alaska to respect and recognize the memory of Alaska's longest-service representative in Congress who also was a tireless advocate for this Port.

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 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 Marathon (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 ship-to-shore gantry crane and proprietary roll-on/roll-off capability at one cargo terminal
- Three petroleum terminals with fifteen, eight-inch, tide-compensating lines, one which also supports dry bulk cement offload operations
- 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 Anchorage 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 exceeded their original design life and are not built to current engineering standards for operational and seismic performance. The initial phase involved construction of a joint-use Petroleum & Cement Terminal (PCT). The effort began in 2018 with landside improvements with construction completing in late 2022. Construction of the Port Administration building was completed in April 2024 and is now occupied. Landside and waterside north end stabilization project work began in 2023 and will finish at the end of the 2024 construction season. In parallel with this has been the start of the

design work for the next PAMP phase--construction of new cargo docks. The dates for this effort are planned for 2025 through 2030 but are dependent on securing sufficient funding.

Don Young Port of Alaska (907) 343-6200
1871 Anchorage Port Road, Anchorage AK, 99501
Visit the Don Young Port of Alaska's website at: www.portofalaska.com

Don Young Port of Alaska
Highlights and Future Events

Port of Alaska Modernization Program (PAMP)
The Don Young Port of Alaska's (Port) existing marine terminals have reached the end of their life span and suffer from severe corrosion. 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 joint-use Petroleum/Cement terminal (PCT). 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 at the dock depth increase from 35 feet to 45 feet. New ship-to-shore container cranes will increase reach to accommodate modern, wider vessels. Completion of this program is critically important for the Port to be able to continue to serve 90% of Alaska's population and to maintain its role as one of 18 designated Department of Defense Commercial Strategic Seaports.

Construction of the Phase 1 Petroleum/Cement Terminal was completed in Fall 2022. Phase 2's cargo dock design are complete. Demolition of the old port office spaces and outdated transit shed to make room for construction material staging for the first cargo dock began in the summer of 2024. The second season of construction activities for stabilization of the north extension are under way. Construction of the Port administrative offices are complete, and the staff has relocated. Based on the current cargo dock design schedule, and assuming full up-front funding and assuming timely permit issuance, construction of cargo dock Terminal 1 is scheduled to begin in 2025. Completion of both cargo terminals is expected by the end of the 2032 construction season.

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. Outside of any PAMP-related references, the recommendations in the Port's Capital Improvement Budget address existing port items needing immediate attention. Those include but are not limited to replacement of aging Port equipment, 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 22.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, and tonnage across the dock.

Industrial Park Leases
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 accommodation 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.

PAMP Surcharge
On July 25, 2023, the Assembly passed AO 2023-34, which authorized and approved Tariff 10.0 establishing a uniform surcharge based on a per ton fee for cargo and cement and a per barrel fee for petroleum for the purpose of funding debt service requirements associated with revenue bonds issued to finance the PAMP.

Preferential Use Agreements
The Municipality has reserved the right under Tariff 10.0 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 incurred in connection with two broad categories. The majority of these expenses are litigation fees against the United States Maritime Administration, a division of the United States Department of Transportation. The lawsuit commenced in 2013, seeking 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 legal service 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 expenses relating 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 Anchorage Municipal 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 netbook 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 to fund the port modernization program. 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 debt service payment known at that time. The Assembly approved the rates, terms and conditions of the Port's Terminal Tariff 9.0 and it was implemented on January 1, 2020.

In 2023, Tariff 10.0 was developed and approved by the Port Commission and Anchorage Assembly. The notable change to Tariff 10.0 was the addition of section 272, "PORT OF ALASKA MODERNIZATION PROGRAM" assessing a surcharge fee in order to cover expenses incurred for the modernization program. This was approved by the Port Commission and approved by the Anchorage Assembly in AO 2023-34, July 25, 2023, and implemented January 1, 2024. The entire Tariff 10.0 document (including individual rates) can be found at: Microsoft Word - POA Terminal Tariff 10.0 (portofalaska.com)

Tariff Setting Methodology

Tariff rates are established based on a revenue requirement methodology. Operational costs and debt service requirements as well as addressing costs to maintain aging infrastructure, are included in the calculation to finalize tariff rates.

Approved Tariff 10.1 Rate Increases (1/1/2024)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Petroleum	23.81%	24.24%	12.95%	12.95%	3.01%	3.01%	3.01%	3.01%	-	-
Cement	23.81%	24.24%	12.95%	12.95%	3.01%	3.01%	3.01%	3.01%	-	-
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 2013 – 2022)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Tonnage	5,190	4,988	4,704	4,266	3,949	3,498	3,498	3,776	3,456	3,408
Total Rates/Ton	$3.43	$3.20	$3.25	$2.98	$3.12	$3.34	$3.54	$3.25	$3.45	$2.95

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

Don Young 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 Don Young Port of Alaska as one of 18 Department of Defense – designated Commercial Strategic Seaports.

Unpredictability of State and Federal funding, as well as the challenge of aligning when awarded federal grant dollars will be made accessible by the federal grant managing agency for the purpose(s) for which they were asked.

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

The growing cybersecurity concerns will be a factor as we modernize the Don Young Port of Alaska, and the infrastructure becomes more vulnerable to attacks.

Don Young Port of Alaska
Capital Overview

Capital Project Selection Process
The process of choosing funded projects for the existing Don Young Port of Alaska (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 2025 Capital project work at the Port includes continued work on the infrastructure of the storm drain system. This work consists of concentrated repair and enhancement of Storm Drain systems. With the acceptance of grant funds in 2023, and grant work that has begun in 2024, this ongoing project has seen an influx of approximately ten million dollars to fund needed repair and enhancement work. The intent of this work is to ensure good working conditions and prevent failures and potential sink holes from developing throughout the Port.

Port of Alaska Modernization Program (PAMP)

The significant 2025 projects on the horizon are:

1. Cargo Terminals – construction of Terminal 1's replacement begins. Funding for this project is appropriated on an as needed basis and based on the contracts approved by the Assembly. These appropriations are not included in the capital budget process because they are unknown at this time, however, once finalized, the contract need is identified, and the authorization packets will be submitted for approval through designated channels.
2. Port's North Extension Stabilization Step 1 – ongoing work that results in completing the 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 ensure safe navigation to the existing cargo docks while construction on the new cargo docks begins.

Don Young Port of Alaska
8 Year Summary
($ in thousands)

Financial Overview	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	19,246	18,972	18,529	18,992	19,467	19,954	20,453	20,964
Expenses and Transfers [1]	28,064	28,590	30,412	30,565	30,870	31,179	31,491	31,806
Net Income(Loss)	**(8,818)**	**(9,618)**	**(11,883)**	**(11,572)**	**(11,403)**	**(11,225)**	**(11,038)**	**(10,842)**
Charges by/to Other Departments	1,202	1,457	1,503	1,493	1,531	1,569	1,608	1,648
Municipal Enterprise/Utility Service Assessment	1,240	1,551	1,409	1,567	1,606	1,646	1,687	1,729
Dividend to General Government	736	604	604	604	604	604	604	604
Transfers to General Government [2]	**3,178**	**3,578**	**3,470**	**3,664**	**3,740**	**3,819**	**3,899**	**3,982**
Operating Cash	16,671	23,937	25,571	25,549	25,519	25,483	25,438	25,386
Restricted Cash - Debt Service	3,935	4,681	4,436	5,446	5,882	5,867	5,868	5,866
Construction Cash Pool	-	5,000	3,050	3,050	2,650	2,650	1,021,550	4,000
Restricted Cash	1,950	1,950	1,950	-	-	-	-	-
Total Cash	**17,707**	**35,568**	**35,007**	**34,045**	**34,051**	**34,000**	**1,052,856**	**35,252**
Net Position/Equity 12/31	319,008	344,477	367,751	390,223	412,872	435,646	1,477,464	1,501,874
Capital Assets Beginning Balance	349,273	338,147	353,768	356,818	359,868	362,518	365,168	367,818
Asset Additions Placed in Service	1,848	16,000	3,050	3,050	2,650	2,650	1,021,550	2,650
Assets Retired	-	-	-	-	-	-	-	-
Change Depreciation (Increase)/Decrease	(12,974)	(13,838)	(13,838)	(13,976)	(14,116)	(14,257)	(14,400)	(14,544)
Net Capital Assets (12/31)	**338,147**	**340,309**	**342,980**	**345,892**	**348,402**	**350,911**	**1,372,318**	**355,924**
Equity Funding Available for Capital	10,786	23,937	25,571	20,103	19,637	19,616	19,570	19,520
Debt								
New Debt - Bonds	-	-	-	-	-	-	-	-
New Debt - Loans or Other	-	-	-	-	-	-	-	-
Total Outstanding LT Debt	104,380	104,010	102,625	100,780	98,915	97,010	95,065	93,075
Total Annual Debt Service Payment	2,995	2,798	2,636	3,646	4,082	4,067	4,068	4,066
Debt Service Requirement	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**
Debt Service Coverage (Bond)	2	1.44	1.86	1.93	1.95	1.97	1.99	2.01
Debt Service Coverage (Total)	1.84	1.44	1.86	1.93	1.95	1.97	1.99	2.01
Debt/Equity Ratio	33/100	30/100	28/100	26/100	24/100	22/100	6/100	6/100
Tariff Wharfage Rates (01/15):								
1250 Petroleum, Bulk / Barrel	$0.322	$0.193	$0.199	$0.205	$0.211	$0.211	$0.211	$0.000
1250 Cement, Bulk / Ton	$3.28	$1.96	$2.02	$2.08	$2.15	$2.15	$2.15	$0.00
Statistical/Performance Trends:								
Tonnage (in thousands)	5,070	5,190	5,050	5,075	5,101	5,126	5,152	5,178
Operating Revenue/Ton	3.80	3.68	3.67	3.74	3.82	3.89	3.97	4.05

[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.

Don Young Port of Alaska
Statement of Revenues and Expenses

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Dock Revenue	5,578,313	5,291,886	2,178,620	3,113,266	1,997,147	5,110,413	64.15%
Dock Revenue - Debt Service	1,900,205	336,098	(8,403)	344,501	-	344,501	0.00%
Wharf General Cargo	4,126,430	4,830,735	(700,543)	5,531,278	(1,281,278)	4,250,000	-23.16%
Wharfage General Cargo - Surcharge	-	905,116	395,374	509,742	340,258	850,000	66.75%
Industrial Park Revenue	4,912,507	4,939,358	3,402,852	1,536,506	(458,059)	1,078,447	-29.81%
Security Fees	1,552,076	1,556,300	78,325	1,477,975	253,650	1,731,625	17.16%
Reimbursed Costs	21,381	79,781	59,781	20,000	-	20,000	0.00%
Miscellaneous	1,014,937	1,032,857	(3,067,478)	4,100,335	127,100	4,227,435	3.10%
Total Operating Revenue	**19,105,850**	**18,972,132**	**2,338,529**	**16,633,603**	**978,818**	**17,612,421**	**5.88%**
Non Operating Revenue							
Pipeline Right-of-Way Fee	192,166	-	(173,000)	173,000	17,000	190,000	9.83%
Investment Income	(75,253)	-	(727,000)	727,000	(1,172,000)	(445,000)	-161.21%
Other Income	23,497	-	-	-	-	-	0.00%
Total Non Operating Revenue	**140,410**	**-**	**(900,000)**	**900,000**	**(1,155,000)**	**(255,000)**	**-128.33%**
Total Revenue	**19,246,260**	**18,972,132**	**1,438,529**	**17,533,603**	**(176,182)**	**17,357,421**	**-1.00%**
Operating Expense							
Salaries and Benefits	2,656,222	2,496,404	(446,475)	2,942,879	143,929	3,086,808	4.89%
Overtime	93,301	98,084	24,663	73,421	-	73,421	0.00%
Total Labor	2,749,523	2,594,488	(421,812)	3,016,300	143,929	3,160,229	4.77%
Supplies	231,976	200,949	(40,551)	241,500	-	241,500	0.00%
Travel	30,468	28,285	7,555	20,730	-	20,730	0.00%
Contractual/Other Services	4,989,466	3,635,243	(1,003,954)	4,639,197	300,800	4,939,997	6.48%
Equipment/Furnishings	79,756	-	(14,450)	14,450	-	14,450	0.00%
Dividend to General Government	736,369	604,104	(70)	604,174	-	604,174	0.00%
Manageable Direct Cost Total	6,068,034	4,468,581	(1,051,470)	5,520,051	300,800	5,820,851	5.45%
Municipal Enterprise/Utility Service Assessment	1,239,640	1,551,181	-	1,551,181	(142,181)	1,409,000	-9.17%
Depreciation/Amortization	12,974,710	13,837,791	-	13,837,791	-	13,837,791	0.00%
Non-Manageable Direct Cost Total	14,214,350	15,388,972	-	15,388,972	(142,181)	15,246,791	-0.92%
Charges by/to Other Departments	1,201,746	1,456,951	-	1,456,951	46,006	1,502,957	3.16%
Total Operating Expense	**24,233,653**	**23,908,992**	**(1,473,282)**	**25,382,274**	**348,554**	**25,730,828**	**1.37%**
Non Operating Expense							
Debt Issuance Costs	(105,049)	598,047	-	598,047	(155,000)	443,047	-25.92%
Interest on Bonded Debt	3,935,411	4,072,953	-	4,072,953	155,000	4,227,953	3.81%
Lease Principle/Interest Expense	-	10,012	-	10,012	-	10,012	0.00%
Total Non Operating Expense	**3,830,361**	**4,681,012**	**-**	**4,681,012**	**-**	**4,681,012**	**0.00%**
Total Expense	**28,064,015**	**28,590,004**	**(1,473,282)**	**30,063,286**	**348,554**	**30,411,840**	**1.16%**
Net Income (Loss)	**(8,817,755)**	**(9,617,872)**	**2,911,811**	**(12,529,683)**	**(524,736)**	**(13,054,419)**	**4.19%**
Appropriation:							
Total Expense		**28,590,004**	**(1,473,282)**	**30,063,286**	**348,554**	**30,411,840**	**1.16%**
Less: Non Cash Items							
Depreciation/Amortization		13,837,791	-	13,837,791	-	13,837,791	0.00%
Total Non-Cash		13,837,791	-	13,837,791	-	13,837,791	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**14,752,213**	**(1,473,282)**	**16,225,495**	**348,554**	**16,574,049**	**2.15%**

Don Young Port of Alaska
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**16,225,495**	**21**	**-**	**-**
Transfers by/to Other Departments				
- Charges by Other Departments	46,006	-	-	-
- Municipal Enterprise Service Assessment (MESA)	(142,181)	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	143,929	-	-	-
2025 Continuation Level	**16,273,249**	**21**	**-**	**-**
2025 Proposed Budget Changes				
- Security and Alarm Services	285,000	-	-	-
- Accounting Services	15,800	-	-	-
2025 Proposed Budget	**16,574,049**	**21**	**-**	**-**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2025 Proposed Budget (Appropriation)	**16,574,049**	**21**	**-**	**-**
	2025 Proposed FTE			
	21.0	**21.0**	**-**	**-**

Don Young Port of Alaska
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Port Equipment	-	-	-	260	260
Storm Drain Enhancements	-	-	-	2,500	2,500
Strategic Plan	-	-	-	300	300
Tract J Refencing	-	-	-	1,000	1,000
US Army Corps of Engineers Permit Requirements	-	280	-	-	280
Total	**-**	**280**	**-**	**4,060**	**4,340**

Don Young Port of Alaska
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Equipment						
Port Equipment	2025	-	-	-	260	260
Port of Alaska Industrial Park Enhancements						
Storm Drain Enhancements	2025	-	-	-	2,500	2,500
	2026	-	-	-	2,500	2,500
	2027	-	-	-	2,500	2,500
	2028	-	-	-	2,500	2,500
	2029	-	-	-	2,500	2,500
	2030	-	-	-	2,500	2,500
		-	-	-	15,000	15,000
Strategic Plan	2025	-	-	-	300	300
Tract J Refencing	2025	-	-	-	1,000	1,000
Port of Alaska Modernization Program (PAMP)						
US Army Corps of Engineers Permit Requirements	2025	-	280	-	-	280
	Total	**-**	**280**	**-**	**16,560**	**16,840**

Port Equipment

Project ID	POA2021001	**Department**	Don Young Port of Alaska
Project Type	New	**Start Date**	January 2025
District	Tax: 1 - City/Anchorage	**End Date**	December 2025
Community Council			

Description

Replace aging Port equipment - (1985 GMC Dump Truck & 2001 Pickup Truck)

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	260	-	-	-	-	-	260
Total (in thousands)		**260**	**-**	**-**	**-**	**-**	**-**	**260**

Storm Drain Enhancements

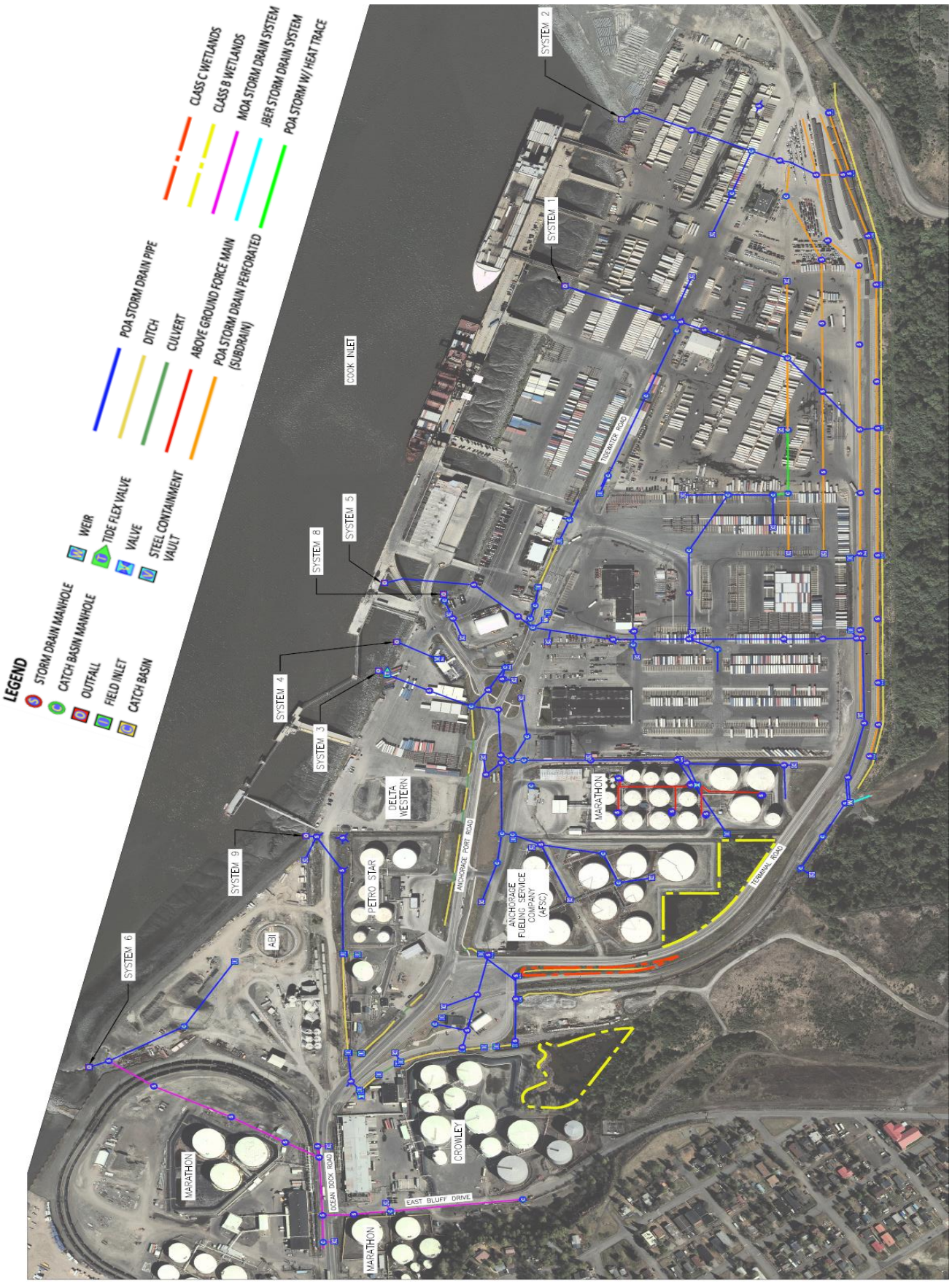
Project ID	POA2021002	**Department**	Don Young Port of Alaska
Project Type	Upgrade	**Start Date**	January 2020
District	Tax: 1 - City/Anchorage	**End Date**	December 2030
Community Council			

Description

Identify, evaluate, and repair as needed to ensure proper function of the storm drain system on the Port of Alaska. There are 9 storm drain systems on the Port and a Storm Drain Master Plan was put into place in 2019 estimating annual enhancements and repairs to be completed over the next ten years. In 2020, with the onset of COVID-19 the constraint on resources caused a delay in the schedule. Forward momentum anticipates annual enhancements and repairs will be on track again in 2025.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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**


LEGEND
STORM DRAIN MANHOLE
CATCH BASIN MANHOLE
OUTFALL
FIELD INLET
CATCH BASIN
WEIR
TIDE FLEX VALVE
VALVE
STEEL CONTAINMENT VAULT
POA STORM DRAIN PIPE
DITCH
CULVERT
ABOVE GROUND FORCE MAIN
POA STORM DRAIN PERFORATED (SUBDRAIN)
CLASS C WETLANDS
CLASS B WETLANDS
MOA STORM DRAIN SYSTEM
JBER STORM DRAIN SYSTEM
POA STORM W/ HEAT TRACE
SYSTEM 1
SYSTEM 2
SYSTEM 3
SYSTEM 4
SYSTEM 5
SYSTEM 6
SYSTEM 8
SYSTEM 9
COOK INLET
TIDEWATER ROAD
ANCHORAGE PORT ROAD
TERMINAL ROAD
EAST BLUFF DRIVE
OCEAN DOCK ROAD
DELTA WESTERN
MARATHON
PETRO STAR
ANCHORAGE FUELING SERVICE COMPANY (AFSC)
ABI
CROWLEY

Tract J Refencing

Project ID	POA2025002	**Department**	Don Young Port of Alaska
Project Type	Replacement	**Start Date**	January 2025
District		**End Date**	December 2026

Community Council

Description

An Assembly Ordinance (AO 2023-82) was approved in August 2023 that preserved the "Upper Bench" or the old "Blueberry Patch" from the 1930's for development as dedicated public park space. Therefore, the Don Young Port of Alaska (Port) had to complete a replat of Tract J that concluded that a new fence must replace the old fence that follows the new Port boundaries. Necessary for continuous security requirements as outlined in the regulations for security standards at the Port (33CFR 105).

Comments

Preliminary stages

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	570800 - Port Operating Contributions	1,000	-	-	-	-	-	1,000
Total (in thousands)		**1,000**	**-**	**-**	**-**	**-**	**-**	**1,000**

US Army Corps of Engineers Permit Requirements

Project ID	POA2024001	**Department**	Don Young Port of Alaska
Project Type	New	**Start Date**	January 2025
District		**End Date**	December 2029
Community Council			

Description

Memorandum of understanding between the Don Young Port of Alaska and US Army Corps of Engineers to provide priority permit review services for the Port of Alaska Modernization Program (PAMP) to expedite permit application review.

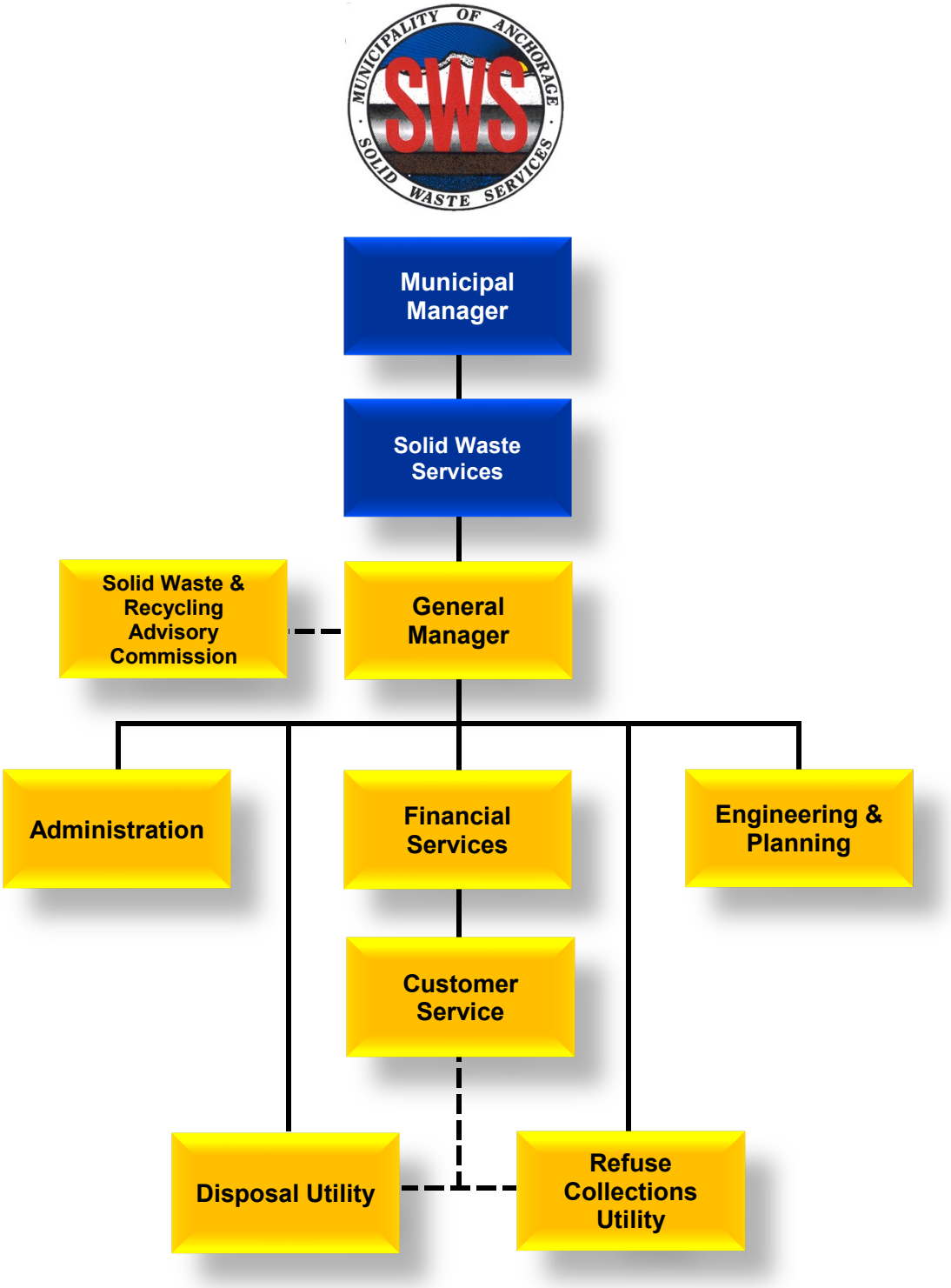
Comments

This funding may be used until completion of the PAMP.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
SOA Grant Revenue-Direct	570900 - Port Capital Grant	280	-	-	-	-	-	280
Total (in thousands)		**280**	**-**	**-**	**-**	**-**	**-**	**280**

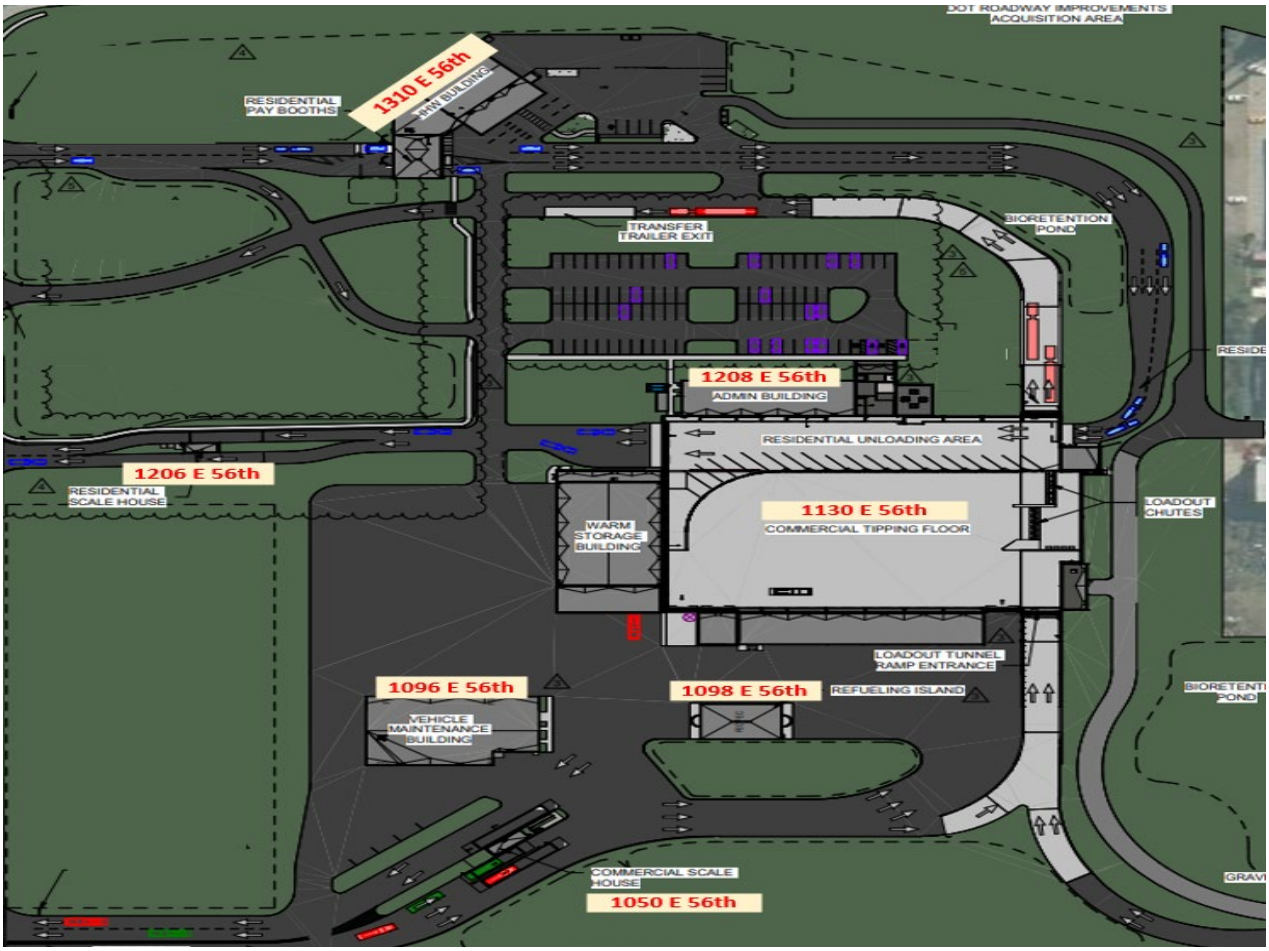
Solid Waste Services



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 enterprise 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. Per Municipal Code and 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). The mission statement of SWS: Providing safe, efficient and innovative solid waste management for the Municipality of Anchorage. The SWS vision statement: Advancing solid waste management through continuous improvement and transparent performance.

SWS recently moved to a new location across 56th from the original facility-overhead map below shows individual building addresses on the new campus:



Refuse Collection Utility (RCU)
1208 E 56th Ave.
The RCU provides both residential and commercial service to the former City of Anchorage service area. The service area is defined by Municipal ordinance. 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.

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.

Two other collections programs include the commercial glass collection and organics collected in 2022, 270 tons increasing in 2023, to 627 tons, a 57% increase. In 2023, there was a small commercial organics pilot to help inform the next steps of opening the new Materials Recovery Facility.

All refuse, recycling, and organics 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; two new 520 electric garbage trucks, 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 (SWSDU)- 1208 E 56th Ave.

The main function of the SWSDU is to dispose of household and commercial refuse also known as Municipal Solid Waste, MSW, generated within the MOA. The refuse is brought to three locations: Girdwood Transfer Station (GTS), Central Transfer Station (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 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.

- In 2022, 523.35 tons were hauled, increasing in 2023 to 593.06 tons of refuse hauled from Girdwood to the ARL, a total of 112 miles round trip.

In September 2023, SWS closed the gates on the old facility and opened to the public in the new CTS. Eighty percent of what ends up buried in the landfill comes across the tipping floor at CTS. Refuse disposed at the CTS is transferred by SWS tractors pulling 120 cubic yard (approximately 20-tons at a time) open top trailers to ARL.

- In 2022, 210,485 tons were hauled, increasing in 2023 to 219,960 tons were hauled from CTS to ARL, a total of 38 miles round trip.

CTS also has a HHW disposal location operated by a third-party vendor. HHW 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 performs 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, 9 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 were rendered unusable, and staff moved into the new facility in December 2023. This construction project was completed with the assistance of the State of Alaska and the Federal Emergency Management Agency (FEMA).

Recycling

Public recycling is offered at the Anchorage Regional Landfill for free disposal of aluminum cans, paper, plastic, mixed paper, and cardboard. The materials are then transported to the privately owned Smurfit WestRock Recycling Center in Anchorage. The recycling trailers are utilized at Anchorage Schools and at public events to collect recyclables.

There are many opportunities for city-wide recycling and composting programs. Funded from a recycling surcharge, the recycling program promotes diversion, and establishes a circular economy with the goal of extending the life of the landfill. One full time 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 the new Materials Recovery Facility, and programs such as the Christmas Tree shredding program and the Youth Litter Patrol through ALPAR (Alaskans for Litter Prevention And Recycling). Other efforts include Educational opportunities such as the free composting and vermicomposting classes offered by Anchor Gardens, and outreach on radio and social media.

The Materials Recovery Facility is a pilot program that opened the doors, May 2024. The old CTS is being repurposed to create infrastructure to encourage diversion. The first efforts include a commercial and residential organics drop-off, plastics collection, and the new Central Wood Lot. Organic materials include grass, leaves, yard debris, herbivore manure, food scraps and wood chips. These materials are transported to the Matanuska Valley Farm and utilized as a soil amendment. Plastics are collected #1,2,5's are an expansion of the limited curbside collection of #1,2 bottles only. The plastic is utilized by Alaska Plastic Recovery to be processed

and manufactured into “Grizzly Wood” plastic lumber that can be utilized in many items including boardwalks, picnic tables, fencing etc. The wood lot opened in June 2024 with the primary focus of wildfire mitigation for Anchorage residents to dispose wood in midtown, the old woodlot closed two years ago, so residents are happy with SWS opening the gates to this new program. The wood lot and organics will be open through October, the plastics collection may continue year-round.

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.

Director
The Director is responsible for the overall management of SWS. The Director 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.

Administration
The Administration division provides support to all SWS employees. It is responsible for key performance indicator monitoring, Information Technology assistance, safety, security, and vehicle parts inventory functions.

Engineering & Planning
The Engineering & Planning Division consists of one engineer/manager, one civil engineer, 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
- Regulatory compliance.

The division is responsible for the planning, design and management of construction activities related to landfill expansion, Landfill Gas (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 Anchorage Water & Wastewater Utility 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. One of the original landfills was where the Merrill Field Airport is located. Merrill Field was an unlined landfill that opened in the 1940’s and closed in 1987. There is an aging landfill gas migration system and issues with liquid seeping on to 15th Ave. are both concerns that SWS is investigating for resolution with coordination of other MOA departments and Alaska Department of Environmental Conservation (ADEC).

As SWS facilities age, the division is responsible for the procurement of services for major repair and maintenance activities as well as new ones. These activities include maintenance of all SWS facilities; heating, ventilation, and air conditioning (HVAC) systems; paving of roads and

work areas at ARL; upgrading the capacity of the landfill gas collection and control system and leachate wells and piping systems.

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 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 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 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.

Safety Manager

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. A new internal SWS Safety Advisory committee will be led by the safety manager to review injury, accident, and near-miss cases.

Financial Services

The Financial Service Division has three work groups: Finance and Accounting, Customer Service Administration, Call Center, and the Scale House / Cash Booth. All work groups, totaling 23 employees, are managed by the SWS Chief Financial Officer (CFO).

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 and bond management. 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 a 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; oversight of recycling and organics program financials; and, providing administrative support to supervisors and to the SWRAC.

Customer Service Administration and Call Center

The Customer Service team's duty station is located at the SWS Administration Building, recently relocated to 1208 East 56th Avenue, the new Central Transfer Station. The 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 answers up to 140 calls per day and maintains 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 team operate both the scale houses and cash booths at CTS, ARL, and GTS. The operation schedule varies 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 customers as they visit our disposal locations. These employees screen the customer's load prior to disposal, help monitor safety compliance, 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.

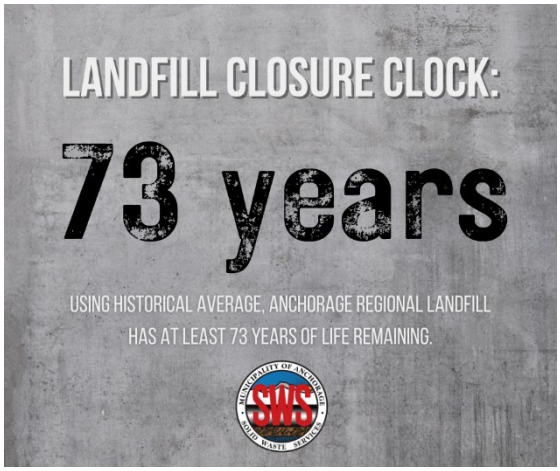
Landfill Closure

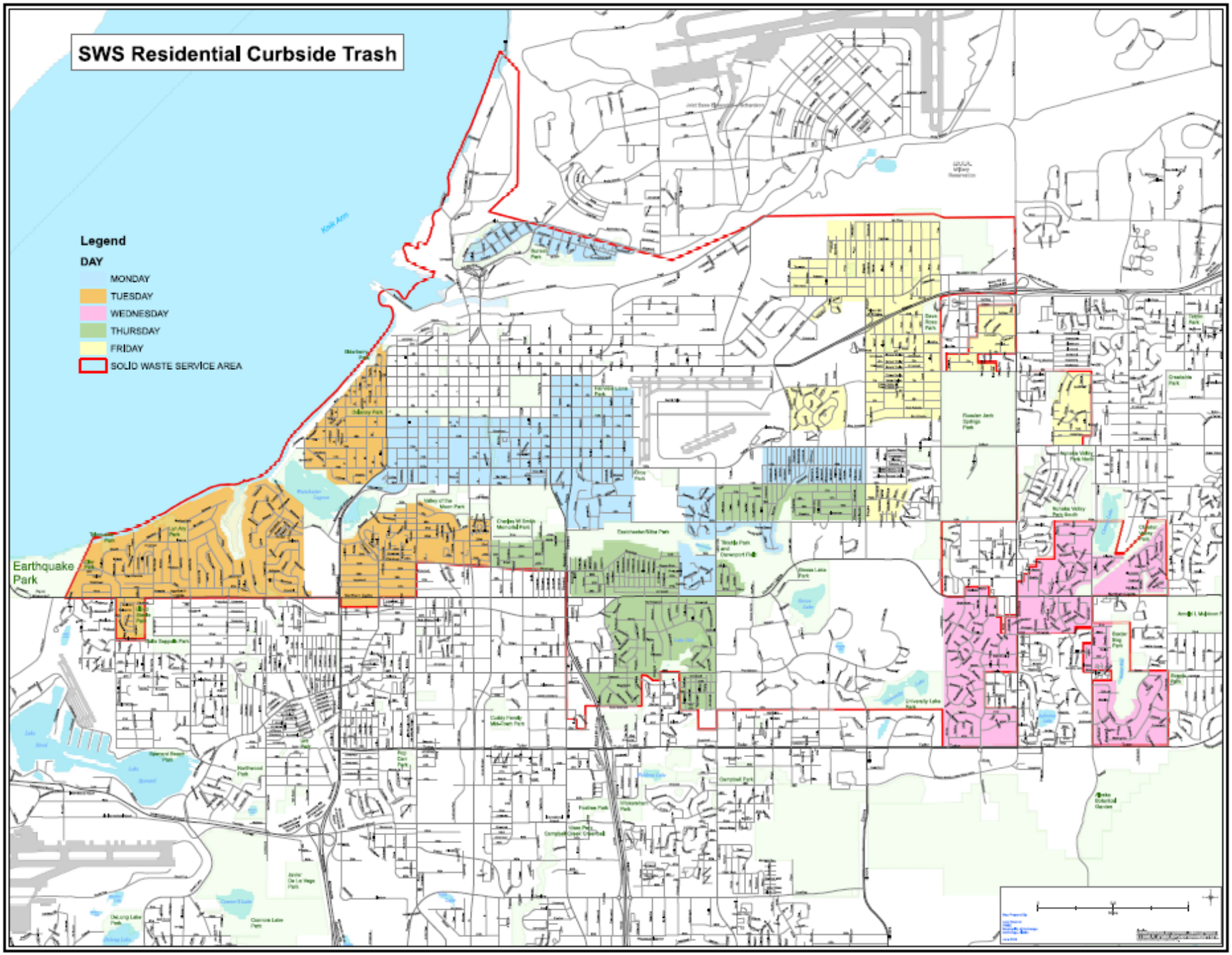
Previous projections based on formulas and models predicted closure within the next 50 years. SWS has now determined based on previous trends of actual surveys that account for settling, shifting, and use of drones to map the area, they are now predicting based on a 5-year moving average between 73-100 years. Although it sounds much longer before closure, Anchorage residents must take decisive actions to divert as much as possible from the landfill due to leachate and landfill gas production. SWS is looking into renewable natural gas from landfill gas and investigating waste to energy as the next big project for the city.

Based on old calculations:

https://acak.statwindow.com/landfill

Based on actual landfill surveys each year:




SWS Residential Curbside Trash
Legend
DAY
MONDAY
TUESDAY
WEDNESDAY
THURSDAY
FRIDAY
SOLID WASTE SERVICE AREA
Knik Arm
Earthquake Park


Anchorage Regional Landfill
Glenn Hwy
Anchorage Regional Landfill

Solid Waste Services
Business Plan

Mission
Providing safe, efficient, and innovative solid waste management for the Municipality of Anchorage (MOA).

Services
Solid Waste Services (SWS) is an enterprise utility of the MOA. As such, the enterprise does not benefit from taxpayer funding, it is self-funded. While SWS has two main functions, the Refuse Collection Utility and the Solid Waste Disposal Utility, it also is an active investor in the community through supporting programs such as Citywide cleanup and other worthwhile programs that support a clean city.

The Refuse Collection Utility (RCU) provides garbage, recycling, and organics 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 collection services: 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 two 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. The newly opened Materials Recovery Facility (MRF) is a pilot program to encourage increased diversion from the landfill, targeting organics collection May-October, a Central Wood lot opened May-October, and plastics collection.

Business Goals
- Increase staffing levels and reduce vacancies.
- Expand the lifespan of ARL and maximize airspace utilization.
- Reduce loss time accidents and workers' compensation claims.
- Reduce greenhouse gas emissions across the MOA.
- Decrease the per capita amount of trash disposed at ARL.
- Increase overall customer satisfaction rating.
- Reduce number of missed pick-ups by SWS.
- Reduce the average customer wait time.
- Maximize the usage of landfill gas collected and consider Renewable Natural Gas.
- Increase operational efficiencies such as leachate and landfill gas management, compaction, diversion, etc.

Strategies to Achieve Goals
- Explore additional policies/pricing strategies, and technologies to maximize airspace at ARL such as tire shredding.
- Begin transforming inbound refuse disposal tracking weights, followed by a new pricing mechanism based on weights vs. current flat rate.
- Utilize alternative daily cover material and improve waste compaction with on-board computing systems in heavy equipment at ARL.

- Determine requirements at Merrill Field for gas migration and gas collection system at ARL.
- Utilize outside expertise to ensure safety of staff and public at SWS facilities, as well as compliance with workplace safety regulations.
- Continue exploration of the leachate evaporator system, Deep injection well, Renewable Natural Gas, and Waste To Energy projects to minimize impacts to the environment while operating more efficiently.
- Promote the diversion of food waste, yard and wood debris, metals, plastics, paper and cardboard.
- Identify other materials that could be diverted from the landfill and utilized in other ways.
- Continue the Material Recovery Facility (MRF) pilot program to increase organics diversion, in addition to coordinating with other recycling partners and stakeholders.
- Improve recycling options for businesses and multifamily dwellings within the SWS service area.
- Deploy EV garbage truck fleet to determine effectiveness and efficiencies, cost/benefit analysis.
- Redesign and upgrade the ARL public area including upgraded gate, install new scales, recycling area, public wall, residential and commercial scale houses.

Performance Measures to Track Progress in Achieving Goals

1. C&D Shredding – Effects on Compaction Density and Airspace Savings
2. Organics Program Effect on Reducing Greenhouse Gas Emissions
3. Projected 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.

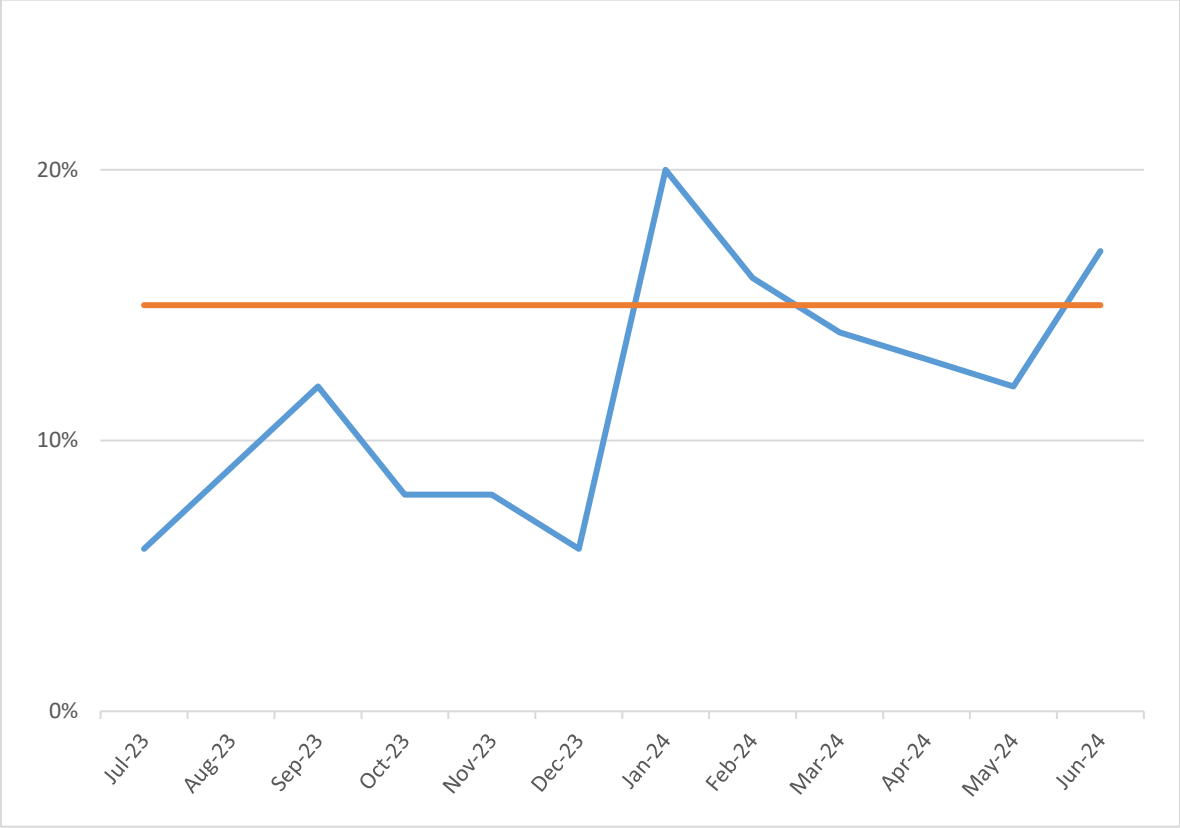
Core Services
- Provide dumpster service to commercial and multifamily residential customers.
- Provide automated garbage, curbside recycle collection, and disposal to residential customers.
- Provide transfer station and landfill disposal services for the entire community of Anchorage.
- Support and 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

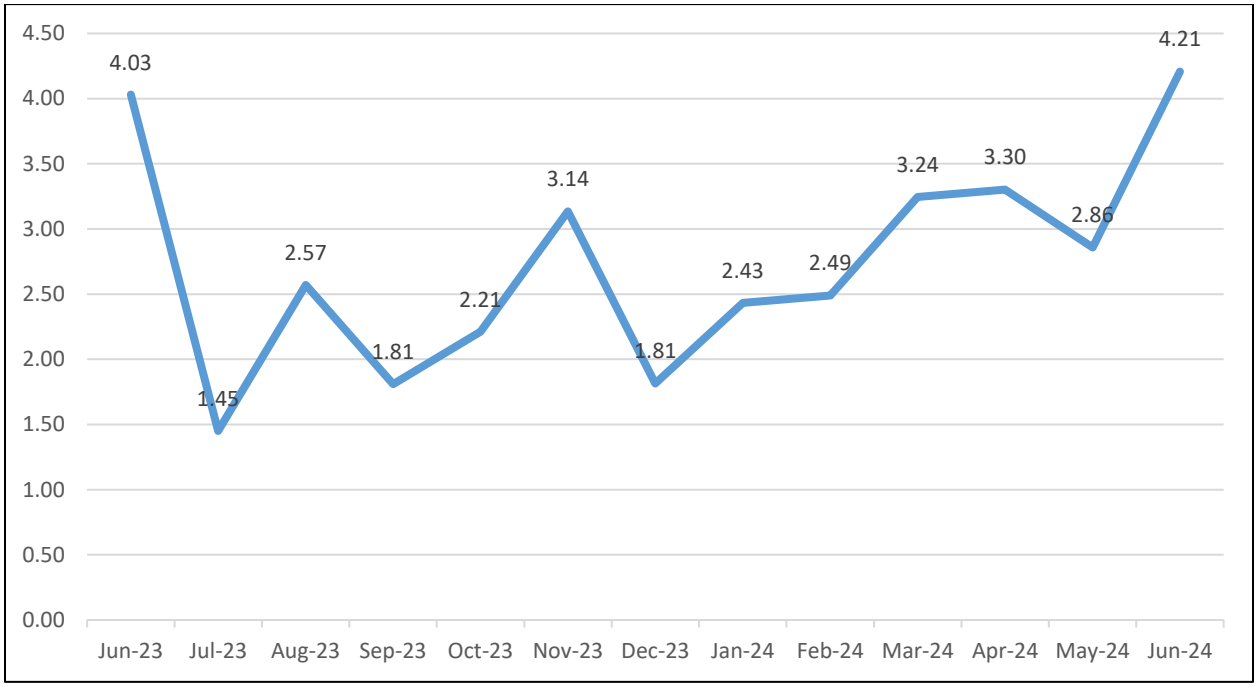


Quarter 2 – Disposal Costs Offset: 14% (note-2024 periods have not been closed, these numbers may not represent full disposal costs)

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 – 3.46

Apr: 3.30
May: 2.86
June: 4.21

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 3 Estimated Year of Closure: 2078

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

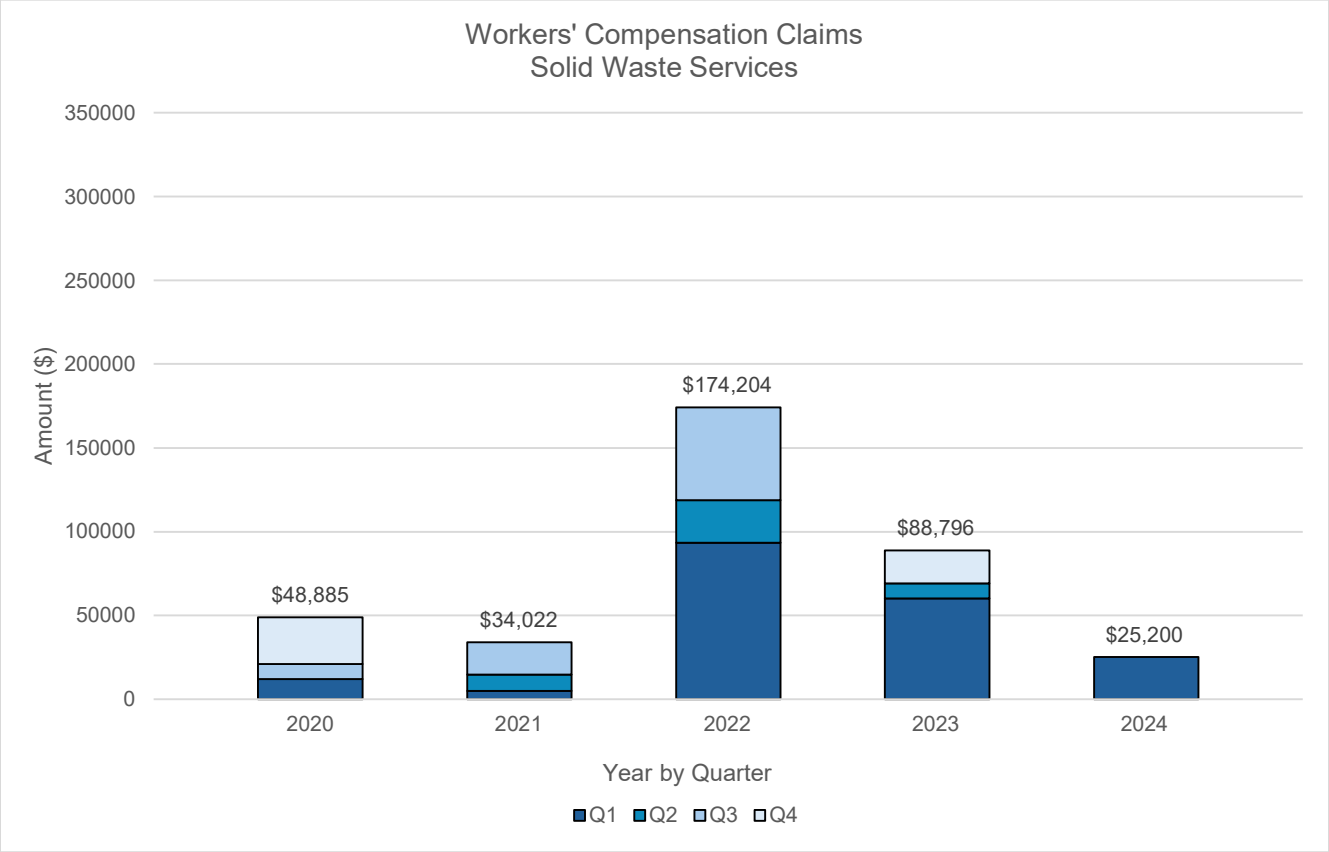
SWS to use less cover material. Decomposition and compaction are considered in the equation as well. SWS collects this data from the most current aerial survey landfill study.
SWS does not have a target set because this information is continually changing, however, SWS has a goal to “extend the life 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, a new Material Recovery Facility (MRF), 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 utility 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.

In 2024, SWS RCU took delivery of two 520EV garbage trucks. The garbage trucks were fully deployed in July 2024 and service curbside automated carts for recycling, refuse and organics. The trucks are made possible by a grant from the Department of Energy as a pilot program to collect data on the EV performance in the arctic climates. SWS will continue tracking performance and reporting to the Department of Energy to benefit other states looking at the potential for converting internal combustion engine fleets to electric vehicles.

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 are 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:

- Eleven commercial refuse collection vehicles
- Ten residential refuse and recycling vehicles (automated and can/bag); 10 automated / 2 Tomcats
- Two rear load vehicles for MOA paper collection and recycling
- Nine support vehicles: general foreman vehicle, Refuse Collections leadman vehicle, expeditor vehicle, mechanics' trucks
- One 220EV box truck and Two 520EV refuse collection trucks

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 continues to expand collection services such as curbside residential organics collection and commercial/residential glass collection.

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. SWDU continues to monitor and maintain the closed Merrill Field landfill and monitors other closed sites.

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 new Materials Recovery Facility (MRF) is a pilot project that utilizes the closed old CTS facility and opened in May 2024.

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. Based on an annual landfill survey, ARL is projected to remain open at least another 73 years and based on a five-year average, almost 100 years. These lifespans are based only on actual measured volumes and does not include any projections for future changes in the population, cover material, waste stream, or other factors in the analysis. The total volume of refuse placed in ARL between October 2022 and August 2023 is estimated at 386,810 cubic yards. This is a decrease of 105,610 cubic yards or about 21% decrease over the volume placed in 2023. Fill was placed in Cells 4/5, 6, and 7 during 2023. The amount of settlement is 159,030 cubic yards which is approximately 22% more than in 2022. The calculated total remaining volume of ARL is 29,066,000 cubic yards. The total ARL capacity is 47,439,700 cubic yards. The estimated total percentage volume capacity of ARL used as of August 2023, is approximately 38.7 percent.

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 tonnage for CTS for 2023 was approximately 210,485,000 Tons. 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. In 2023, 593.06 Tons were transferred from Girdwood to ARL.

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 LFG 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. Recently there have been landfill gas exceedances in the buildings at Merrill Field, SWS is working closely with regulators to determine next steps. It is the responsibility of the lessee of the buildings to install passive ventilation and any other proactive measures to block landfill gas from seeping into buildings. SWS is also planning to install a gas probe in Fall 2024. Leachate seep on to 15th Ave from the historic Merrill Field landfill is also an issue, recently SWS drilled a 48’ dewatering well and will install a pump this Fall to determine next steps to mitigate seepage.

The SWSDU operates a 6,000 square foot hazardous waste collection facility built in 1989 at ARL. Through 2022, 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.

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. Currently SWS is operating under a Compliance Order By Consent from ADEC requiring a Supplemental Emissions Plan for $271,000 prescribed as a deep injection well or evaporation system for leachate, and installation of Additional Gas Control Capacity, additional Surface Emissions Monitoring. The 301H discharge permit will also need to be renewed soon.

Physical Plant
The SWSDU's assets include:

<u>Anchorage Regional Landfill (ARL)</u>
- 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)

<u>Three transfer stations provide intermediate disposal, easy access for public solid waste disposal</u>
- Cash booths at Girdwood, CTS, MRF, and the ARL public site
- Five scale houses, Three at CTS, one at the MRF and ARL
- 29 transfer tractor and trailers haul from stations to landfill

<u>Hazardous waste management</u>
- 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:

- Slope closure and storm water run-off development is on-going
- Construction of improved leachate management system to mitigate growing expense of hauling leachate
- Upgrading the Gas Collection and Control System at ARL and upgrade system at Merrill Field
- Investigate cost benefit analysis of the MRF

Please see our website for hours of operation and contact information.
http://www.muni.org/Departments/SWS

Solid Waste Services
Highlights and Future Events

The mission of Solid Waste Services (SWS) is to provide safe, efficient, and innovative solid waste management for the Municipality of Anchorage. The vision of the Enterprise utility is advancing solid waste management through continuous improvement and transparent performance.

Closure Date Calculation
Prior landfill closure date was calculated based on a formula from data based on assumptions created by a third-party vendor. SWS recently determined a new Performance Value that more realistically demonstrated landfill management, operations and evidence-based closure date is on the annual landfill report based on surveys and calculations such as compaction, settlement, etc. The previous closure date was in approximately 49 years the new calculated closure fund is between 73-100 years based on a 5-year average of the previous annual survey data. Although the closure date is pushed into the future, the need for diversion and lengthening the life of the landfill is equally important. A much broader public discussion will continue as to which is the superior metric to utilize moving forward.

Disposal Utility
The Department of Solid Waste Services (SWS) Disposal Utility's (SWSDU) held the grand opening of the new Central Transfer Station campus on September 7, 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 and expand household hazardous waste hours of operation with a much-needed upgrade. 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 the 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. The new Shop/Admin building commenced their grand opening and ribbon cutting in December 2023.

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. Construction will be delayed by approximately 2 years due to an unexpected tremendous fire in 2020 likely caused by a lithium battery. In August 2023, leachate began seeping inside the landfill in an area not usually where it should appear. SWS immediately notified the regulators and together we assessed the situation and determined that the best course of action would be to dig down 3 years' worth of refuse, to expose and test the landfill liner for damage/holes, then repair the liner. The project is currently underway and on schedule, however there is no guarantee what will be discovered once the liner is tested, and the conclusion of the project. A new lithium battery policy was established in March 2024, all lithium batteries must be disposed at the Household Hazardous Waste Facility and no longer can be disposed in the landfill with

regular trash. This policy is intended to protect SWS employees, the public and Municipal property.

Every year the SWSDU trucked millions of gallons of leachate generated at the landfill to the Anchorage Water & Wastewater Utility (AWWU) Turpin dump station. SWSDU started design and construction to increase the capacity of the leachate lagoons and aeration system that is more efficient and provides pre-treatment to the leachate. SWS begins hauling leachate 24 hours a day for an aggressive effort to keep up with the demand due to excessive rainfall and snowfall each fall and winter. In 2023 and 2024 the snow and rainfall have exceeded historic events.

Leachate disposal is 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 various alternatives such as the installation of a deep injection well on the military base, and multiple leachate evaporators onsite as well as closing out and capping certain areas of ARL among other options.

SWSDU continues to aggressively expand recycling programs in Anchorage, establishing a circular economy is the priority for the recycling program. Decreases in recycling commodity prices continue to increase costs for the municipality. SWS is investigating new alternatives to baling and shipping materials to the lower 48 by encouraging recycling manufacturing and entrepreneurial opportunities such as encouraging start-ups such as Alaska Plastic Recovery. Demand for expanding public, and multi-family recycling is also a priority which includes new policies and ordinance changes to accommodate these new programs. Other pilot projects include the Materials Recovery Facility (MRF) located at the old transfer station continues to collect data on the amount of organics collected from various locations, so that an informative cost/benefit analysis after the close of this collection year beginning in November could be developed. A few large volume landscapers have participated in bringing their organic waste (feedstocks) and every day a new emerging possibility arises including the horse community on hillside, residents with fish carcasses, etc. According to the EPA, 58% of landfill gas is generated from food scraps. SWS is working to develop a commercial collection program of food scraps from “back of the house” to potentially collect organics that could be available for free to farmers in the local area. The commercial food scrap collections program would be a significant for all parties involved once developed. The MRF also includes the Central Wood Lot, a pilot program working with the Anchorage Fire Department to provide a place for wildfire mitigation disposal. In addition to organics and the Central Wood Lot, Alaska Plastic Recovery currently accepts several types of plastics beyond the traditional curbside collections for SWS including all #1, #2, and #5 plastics which expands the collections program tremendously. Post consumer and postindustrial plastics are collected and processed in the Matanuska Valley into “Grizzly Wood,” a plastic lumber that is made into picnic tables, fencing, boardwalks, and other outdoor products. This fall Alaska Plastic Recovery may sign a work permit to become the first “tenant” of the MRF and process “Grizzly Wood” year-round.

SWSDU also plans to continue supporting recycling initiatives across the Municipality. SWS will continue to invest in recycling, as well as outreach and education, which is vital to the success of all programs. SWS will continue to encourage Zero Waste events, teaching event planners and organizers ways to rethink public events. The SWS recycling trailers are available for corporate sponsors which will be heavily promoted in 2025, to encourage events to host the

recycling trailer for collections of mixed paper, cardboard, aluminum, the top-valued commodities in the recycling markets.

Another priority for SWS is sustainability and energy efficiency. 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 (WTE) technology is most applicable to the community with the goal of extending the life of ARL and providing renewable and sustainable energy to Anchorage residents. 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. Recently, SWS applied and received a technical grant from the WTE team at the National Renewable Energy Lab (NREL) a national research arm of the federal Department of Energy. In addition to WTE, SWS is investigating putting our landfill gas that is needlessly burned in a flare, to work through a renewable natural gas (RNG) initiative. Every year, SWS pays fines and penalties for landfill gas exceedances, to the Alaska Department of Environmental Conservation for allowing too much gas escapement into the air rather than being burned in the flare or utilized by the landfill gas to energy plant (LFGE) operated by Doyon Utilities. ARL's aging infrastructure is currently under redevelopment and design of the Gas Collection and Control (GCCS) and during this phase, SWS is considering options for potentially scrubbing the landfill gas to be used as compressed natural gas or another commodity for sale. There are several options of structuring the contract which SWS is pursuing. Imagine landfill gas that was once burned, is harnessed as compressed natural gas that can easily fuel the entire municipal light and heavy-duty fleets of vehicles at a fraction of the cost, perhaps the remainder of the gas could be added to the natural gas pipeline and bridge the gap in cook inlet gas shortages. Merrill Field is another project under investigation of landfill gas collection and control and leachate management potential upgrades, more information is coming soon with what direction is needed to manage a closed, historic landfill.

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.

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 new facility at the Central Transfer Station provides more space which allows for improved fleet management and maintenance of all refuse trucks in the SWS fleet.

The software in the RCU vehicles continues to prove effective, allowing drivers to communicate directly with the billing system for improved tracking of refuse collection activities, missed stops, and other metrics providing ongoing operational efficiencies.

In March 2024, the RCU accepted delivery of two electric 520 EV garbage trucks, fully electric side load garbage trucks were deployed July 2024. The EV project is provided through a grant from the Department of Energy (DOE) grant to investigate EV performance in arctic climates. Ongoing data analysis will determine feasibility of continuing to move toward EVs or perhaps

Compressed Natural Gas (CNG) from the landfill gas, as a viable alternative to internal combustion engines that operate using fossil fuels.

SWS continues collecting glass recycling downtown with the goal of increasing participation. There is little-to-no demand for crushed glass; at this point it is being stockpiled, however, SWS is aggressively working to find demand from departments such as Federal Emergency Management Agency, the Department of Transportation, and Department of Natural Resources. A new member of the Solid Waste Advisory Commission, Dr. Osama Abaza is a Civil Engineering professor at the University of Alaska Anchorage, who provided two students that researched and presented their findings into ways DOT and other municipal departments could utilized the crushed glass to create demand, an important part of establishing a circular economy.

SWS works with various non-profits to further recycling and composting. Grants through the Alaskans for Litter Prevention And Recycling (ALPAR) includes the Youth Litter Patrol and Christmas Tree Recycling. For the second year in a row, SWS partnered with NeighborWorks through their Anchor Gardens initiative to teach five backyard composting classes and five vermicomposting classes for free resulting in two advanced composter classes which generates future instructors of composting and vermicomposting. SWS wishes to do everything possible to encourage diversion of materials, “from Trash to Treasure.”

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. The proposed and Assembly-approved rates for the RCU are as follows:

The following fee schedules have been proposed and approved for SWS:

	Disposal Utility		Refuse Collections	
Year	Proposed	Approved	Proposed	Approved
2013 - 2018	0%	0%	0%	0%
2019 - 2023	6.25%	6.25%	5.00%	5.00%
2024	5.00%	5.00%	6.00%	6.00%
2025	6.00%	6.00%	7.40%	7.40%
2026	5.00%	5.00%	6.00%	6.00%
2027	6.80%	6.80%	8.10%	8.10%
2028	2.90%	2.90%	5.00%	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 effect until we can get our purchasing stream 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 expenses.

Disposal
SWS is currently completing the construction of a leachate collection and processing improvement project; and the final remaining landfill cells. SWS issued a long-term debt bond to finance the projects at the end of 2022. Interest rate changes and availability of long-term funding may impact the actual costs of these projects.

SWS has completed the construction of a new Central Transfer Station (CTS). The new facility allows 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 for large scale diversion of materials from Anchorage Regional Landfill (ARL). This facility is now called the Material Recovery Facility (MRF), and provides space for a Central Woodlot, commercial organics collection, as well as partnerships with other recycling entities and collection point.

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 plant's 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 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, the newly opened SWS CTS, located adjacent to the existing facility is intended to be the answer to these issues. 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 currently has the following significant projects in process, for which projected funding needs have already been appropriated:

- ARL cell 9A excavation and liner repair
- 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	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	31,393	28,736	33,681	33,460	35,468	37,241	37,241	37,241
Expenses and Transfers [1]	30,193	27,362	35,536	32,061	33,984	35,004	36,054	37,136
Net Income (Loss)	**1,200**	**1,374**	**(1,855)**	**1,400**	**1,484**	**2,237**	**1,187**	**106**
Charges by/to Other Departments	3,656	4,538	4,817	4,538	4,538	4,538	4,538	4,538
Municipal Enterprise/Utility Service Assessment	1,054	2,170	2,130	2,599	2,574	2,298	2,493	2,491
Dividend to General Government	750	750	750	750	750	750	750	750
Transfers to General Government [2]	**5,460**	**7,458**	**7,697**	**7,887**	**7,862**	**7,586**	**7,781**	**7,779**
Operating Cash	31,761	21,499	22,437	23,375	24,313	25,251	26,189	27,127
Construction Cash Pool	4,319	3,129	1,939	749	-	-	-	-
Restricted Cash	16,885	19,736	21,297	23,056	24,953	26,997	28,897	30,797
Total Cash	**52,965**	**44,364**	**45,673**	**47,180**	**49,266**	**52,248**	**55,086**	**57,924**
Net Position/Equity 12/31	67,105	69,990	70,730	72,130	73,613	75,850	77,038	77,143
Capital Assets Beginning Balance	73,992	146,443	137,965	144,385	142,898	217,074	208,622	210,815
Asset Additions Placed in Service	78,374	4,187	13,450	6,145	82,040	3,434	14,131	4,995
Assets Retired	-	(950)	(1,406)	(1,526)	(1,573)	(2,377)	(2,387)	(2,505)
Change Depreciation (Increase)/Decrease	(5,923)	(11,715)	(5,624)	(6,106)	(6,291)	(9,509)	(9,551)	(10,021)
Net Capital Assets (12/31)	146,443	137,965	144,385	142,898	217,074	208,622	210,815	203,284
Equity Funding Available for Capital	7,123	14,600	6,364	7,506	7,775	11,746	10,738	10,127
Debt								
New Debt - Bonds	-	-	-	-	-	-	-	-
New Debt - Loans or Other	13,959	5,624	9,600	(50,400)	4,334	-	-	-
Total Outstanding Debt	90,943	95,930	103,656	111,349	114,065	113,294	112,481	111,630
Total Annual Debt Service Payment	5,058	6,576	7,023	7,238	7,282	6,972	6,688	6,404
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	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Coverage (Loan)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Debt Service Coverage (Total)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Debt/Equity Ratio	4/3	11/8	98/67	103/67	104/67	100/67	98/67	97/67
Future Landfill Closure Liability	47,022	49,970	49,970	53,103	56,433	59,971	63,731	67,727
Rate Percentage Change (CTS /ARL)								
Tipping Fee Rate per Ton (ARL / CTS)	$89/$76	$94/$80	$99/$85	$104/$89	$111/$95	$114/$97	$114/$97	$114/$97
Pickup Rate per Load	$18	$18	$19	$20	$21	$22	$22	$22
Car Rate per Load	$8	$8	$8	$9	$10	$10	$10	$10
Approved Annual Rate increase	6.25%	5.00%	6.00%	5.00%	6.80%	2.90%	0.00%	0.00%
Statistical/Performance Trends								
Tons Disposed	297,491	297,491	297,491	297,491	297,491	297,491	297,491	297,491
Vehicle Count	267,445	267,445	267,445	267,445	267,445	267,445	267,445	267,445

[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

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Landfill Disposal Fees	24,912,495	26,043,241	(989,059)	25,054,182	1,591,345	26,645,527	6.35%
Hazardous Waste Fees	629,652	190,067	303,437	493,504	-	493,504	0.00%
Commercial Collections	-	-	745,309	745,309	-	745,309	0.00%
Community Recycling Residential	348,398	236,002	161,111	397,113	-	397,113	0.00%
Community Recycling Commercial	14,706	(35,092)	548,874	513,782	-	513,782	0.00%
Landfill Methane Gas Sales	2,215,297	1,769,644	730,356	2,500,000	-	2,500,000	0.00%
Reimbursed Costs	412,616	138,926	104,434	243,360	-	243,360	0.00%
Unsecured Loads	58,846	39,762	(18,777)	20,985	-	20,985	0.00%
Miscellaneous	121,286	142,312	(75,837)	66,475	-	66,475	0.00%
Total Operating Revenue	**28,713,296**	**28,524,863**	**1,509,847**	**30,034,710**	**1,591,345**	**31,626,055**	**5.30%**
Non Operating Revenue							
Investment Income	2,675,663	211,377	1,520,623	1,732,000	223,000	1,955,000	12.88%
Other Income	3,868	137	99,863	100,000	-	100,000	0.00%
Total Non Operating Revenue	**2,679,531**	**211,514**	**1,620,486**	**1,832,000**	**223,000**	**2,055,000**	**12.17%**
Total Revenue	**31,392,827**	**28,736,377**	**3,130,333**	**31,866,710**	**1,814,345**	**33,681,055**	**5.69%**
Operating Expense							
Salaries and Benefits	5,932,651	5,710,840	1,610,968	7,321,808	240,271	7,562,079	3.28%
Overtime	830,891	693,385	(297,105)	396,280	-	396,280	0.00%
Total Labor	6,763,543	6,404,225	1,313,863	7,718,088	240,271	7,958,359	3.11%
Supplies	1,892,488	1,179,083	719,517	1,898,600	-	1,898,600	0.00%
Travel	657	10,477	3,523	14,000	-	14,000	0.00%
Contractual/Other Services	6,119,295	4,791,413	1,500,640	6,292,053	49,000	6,341,053	0.78%
Equipment/Furnishings	7,139	3,143	(3,143)	-	-	-	0.00%
Future Landfill Closure Costs	-	1,510,686	-	1,510,686	(780,686)	730,000	-51.68%
Dividend to General Government	750,000	750,000	-	750,000	-	750,000	0.00%
Manageable Direct Cost Total	8,769,579	8,244,803	2,220,536	10,465,339	(731,686)	9,733,653	-6.99%
Municipal Enterprise/Utility Service Assessment	1,054,341	2,170,366	(89,263)	2,081,103	48,685	2,129,788	2.34%
Depreciation/Amortization	5,922,530	5,550,000	-	5,550,000	-	5,550,000	0.00%
Non-Manageable Direct Cost Total	6,976,871	7,720,366	(89,263)	7,631,103	48,685	7,679,788	0.64%
Charges by/to Other Departments	3,655,970	4,538,050	-	4,538,050	279,436	4,817,486	6.16%
Total Operating Expense	**26,165,962**	**26,907,443**	**3,445,137**	**30,352,580**	**(163,294)**	**30,189,286**	**-0.54%**
Non Operating Expense							
Debt Issuance Costs	36,342	13,012	16,988	30,000	(30,000)	-	-100.00%
Interest on Bonded Debt	3,293,413	-	3,481,255	3,481,255	201,508	3,682,763	5.79%
Interest on Loans	697,665	441,587	584,497	1,026,084	612,284	1,638,368	59.67%
Lease Principle/Interest Expense	-	-	25,201	25,201	-	25,201	0.00%
Total Non Operating Expense	**4,027,420**	**454,599**	**4,107,941**	**4,562,540**	**783,792**	**5,346,332**	**17.18%**
Total Expense	**30,193,382**	**27,362,042**	**7,553,078**	**34,915,120**	**620,498**	**35,535,618**	**1.78%**
Net Income (Loss)	**1,199,445**	**1,374,335**	**(4,422,745)**	**(3,048,410)**	**1,193,847**	**(1,854,563)**	**-39.16%**
Appropriation:							
Total Expense		**27,362,042**	**7,553,078**	**34,915,120**	**620,498**	**35,535,618**	**1.78%**
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	(780,686)	730,000	-51.68%
Total Non-Cash		7,060,686	-	7,060,686	(780,686)	6,280,000	-11.06%
Amount to be Appropriated (Function Cost/Cash Expense)		**20,301,356**	**7,553,078**	**27,854,434**	**1,401,184**	**29,255,618**	**5.03%**

Solid Waste Services - Disposal
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**27,854,434**	**56**	**2**	**1**
Transfers by/to Other Departments				
- Charges by Other Departments	279,436	-	-	-
- Municipal Utility Service Assessment (MUSA)	48,685	-	-	-
Debt Service				
- Debt Issuance Costs	(30,000)	-	-	-
- Interest on Bonded Debt	201,508	-	-	-
- Interest on Loans	612,284	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	288,665	-	-	-
- Future Landfill Closure costs	(780,686)	-	-	-
2025 Continuation Level	**28,474,326**	**56**	**2**	**1**
2025 Proposed Budget Changes				
- New Engineering Technician II (Full Time)	97,472	1	-	-
- Change Utility Foreman to Maintenance Superintendent	30,817	-	-	-
- Eliminate Administrative Officer II (Full Time)	(176,683)	(1)	-	-
- Information Technology Hardware	29,000	-	-	-
- Janitorial Services increase	20,000	-	-	-
2025 Proposed Budget	**28,474,932**	**56**	**2**	**1**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- Future Landfill Closure costs	780,686	-	-	-
2025 Proposed Budget (Appropriation)	**29,255,618**	**56**	**2**	**1**
	2025 Proposed FTE			
	58.0	**56.0**	**1.5**	**0.5**

SWS Disposal
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Design and Construction of Gas Collection System at Anchorage Regional Landfill	-	-	-	900	900
Disposal Pickups and Light Duty Vehicles	-	-	-	180	180
Disposal Tanker, Truck, and Tractors	-	-	-	2,250	2,250
Perimeter Road Pavement	-	-	-	150	150
Replacement Dozers, Loaders, Compactors and Dump Trucks	-	-	-	4,859	4,859
Total	**-**	**-**	**-**	**8,339**	**8,339**

SWS Disposal
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Disposal						
Design and Construction of Gas Collection System at Anchorage Regional Landfill	2025	-	-	-	900	900
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,100	1,100
	2028	-	-	-	1,100	1,100
		-	-	-	4,100	4,100
Disposal Pickups and Light Duty Vehicles	2025	-	-	-	180	180
	2026	-	-	-	150	150
	2027	-	-	-	200	200
		-	-	-	530	530
Disposal Tanker, Truck, and Tractors	2025	-	-	-	2,250	2,250
	2026	-	-	-	2,655	2,655
	2027	-	-	-	2,250	2,250
		-	-	-	7,155	7,155
Perimeter Road Pavement	2025	-	-	-	150	150
	2026	-	-	-	150	150
		-	-	-	300	300
Replacement Dozers, Loaders, Compactors and Dump Trucks	2025	-	-	-	4,859	4,859
	2026	-	-	-	2,550	2,550
	2027	-	-	-	1,593	1,593
		-	-	-	9,002	9,002
Replacement of Trackless Tractor, Cherry Pickers, Tire Shredder	2028	-	-	-	1,500	1,500
Tarp Deployment System	2026	-	-	-	25	25
	2028	-	-	-	25	25
		-	-	-	50	50
	Total	**-**	**-**	**-**	**22,637**	**22,637**

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	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2028
Community Council			

Description

This project will fund the construction of new and the replacement of existing gas wells, resulting in a gas system expansion at Anchorage Regional Landfill (ARL). This multi-year project will allow constructing of wells, each year, through 2028. The construction of an additional flare will; increase landfill gas destruction capacity, while reducing gas emissions into the environment, and mitigate environmental violations.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	900	1,000	1,100	1,100	-	-	4,100
Total (in thousands)		**900**	**1,000**	**1,100**	**1,100**	**-**	**-**	**4,100**

Disposal Pickups and Light Duty Vehicles

Project ID	DIS2020014	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2027
Community Council			

Description

Replace pickup trucks and sport utility vehicles (SUVs) for light duty work.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	180	150	200	-	-	-	530
Total (in thousands)		**180**	**150**	**200**	**-**	**-**	**-**	**530**

Disposal Tanker, Truck, and Tractors

Project ID	DIS2020004	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2027
Community Council			

Description

Replace five (5) Wilkins trailers, five (5) Peterbilt tractors to haul trash and leachate.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	2,250	2,655	2,250	-	-	-	7,155
Total (in thousands)		**2,250**	**2,655**	**2,250**	**-**	**-**	**-**	**7,155**

Perimeter Road Pavement

Project ID	DIS2024011	**Department**	SWS Disposal
Project Type	Improvement	**Start Date**	January 2024
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide	**End Date**	December 2026
Community Council			

Description

This project would fund the road paving that is needed on the perimeter road surrounding the Anchorage Regional Landfill.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	150	150	-	-	-	-	300
Total (in thousands)		**150**	**150**	**-**	**-**	**-**	**-**	**300**

Replacement Dozers, Loaders, Compactors and Dump Trucks

Project ID	DIS2020003	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2021
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2027
Community Council			

Description

Operations at the landfill requires replacement of: one (1) 40 ton equipment trailer, one (1) roll-off truck and trailer, one (1) sander truck with blade, one (1) static grizzly screen, one (1) excavator, two (2) snowblowers for loaders, two (2) snow buckets, three (3) light plants, one (1) D-9 dozer, one (1) Materials Recovery Facility (MRF) loader, one (1) MRF excavator, one (1) MRF screen.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	4,859	2,550	1,593	-	-	-	9,002
Total (in thousands)		**4,859**	**2,550**	**1,593**	**-**	**-**	**-**	**9,002**

Replacement of Trackless Tractor, Cherry Pickers, Tire Shredder

Project ID	DIS2020007	**Department**	SWS Disposal
Project Type	Replacement	**Start Date**	January 2022
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2028
Community Council			

Description

Replace trackless tractor, cherry pickers, and tire shredder at Anchorage Regional Landfill (ARL). This equipment assists the operations in managing incoming refuse that is disbursed to the various cells at the landfill.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	-	-	-	1,500	-	-	1,500
Total (in thousands)		**-**	**-**	**-**	**1,500**	**-**	**-**	**1,500**

Tarp Deployment System

Project ID	DIS2020005	**Department**	SWS Disposal
Project Type	New	**Start Date**	January 2022
District	Assembly: Section 2, Chugiak/Eagle River, Seats A & C, Assembly: Areawide, Tax: 11 - Municipal Landfill w/o ERPRSA	**End Date**	December 2028
Community Council			

Description

A tarp deployment system will allow operators to; cover newly added and compacted trash overnight, minimizing the use of gravel cover, maximizing use of landfill space, and extend the life of the Anchorage Regional Landfill (ARL).

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	562200 - Disposal Capital	-	25	-	25	-	-	50
Total (in thousands)		**-**	**25**	**-**	**25**	**-**	**-**	**50**

Solid Waste Services - Refuse Collections
8 Year Summary
($ in thousands)

Financial Overview	2023 Actuals Unaudited	2024 Proforma	2025 Proposed	2026	2027	2028	2029	2030
				Forecast				
Revenues	15,163	15,253	15,662	15,605	16,363	17,170	17,170	17,170
Expenses and Transfers [1]	14,801	12,815	17,081	12,822	13,072	13,365	13,659	13,960
Net Income (Loss)	**362**	**2,438**	**(1,419)**	**2,783**	**3,291**	**3,805**	**3,511**	**3,210**
Charges by/to Other Departments	2,391	3,018	3,441	3,052	3,128	3,206	3,286	3,368
Municipal Enterprise/Utility Service Assessment	198	878	832	1,007	993	956	954	949
Dividend to General Government	300	300	300	300	300	300	300	300
Transfers to General Government [2]	**2,889**	**4,196**	**4,573**	**4,359**	**4,421**	**4,462**	**4,540**	**4,617**
Operating Cash	8,202	10,174	11,370	12,565	13,761	14,957	16,153	17,349
Construction Cash Pool	3,128	2,212	1,297	382	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-	-
Total Cash	**11,330**	**12,386**	**12,667**	**12,947**	**13,761**	**14,957**	**16,153**	**17,349**
Net Position/Equity 12/31	14,996	17,619	20,242	23,025	26,316	30,121	33,632	36,842
Capital Assets Beginning Balance	13,158	52,926	46,252	46,849	46,074	44,704	43,515	42,743
Asset Additions Placed in Service	41,813	1,690	1,709	1,709	1,270	1,270	1,965	1,965
Assets Retired	(3)	(425)	(278)	(378)	(620)	(424)	(684)	(678)
Change Depreciation (Increase)/Decrease	(2,042)	(7,939)	(834)	(2,106)	(2,020)	(2,035)	(2,053)	(2,036)
Net Capital Assets (12/31)	**52,926**	**46,252**	**46,849**	**46,074**	**44,704**	**43,515**	**42,743**	**41,994**
Equity Funding Available for Capital	4,560	10,562	3,457	4,889	5,311	5,840	5,564	5,246
Debt								
New Debt - Bonds	-	-	-	-	-	-	-	-
New Debt - Loans or Other	5,927	497	3,605	3,605	1,482	-	-	-
Total Outstanding Debt	8,402	48,541	51,770	54,981	5,600	55,616	55,159	54,680
Total Annual Debt Service Payment	2,114	2,876	3,074	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	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Coverage (Loan)	1.16	1.16	1.16	1.16	1.17	1.33	1.61	1.16
Debt Service Coverage (Total)	1.16	1.16	1.16	1.16	1.17	1.33	1.61	1.16
Debt/Equity Ratio	0.56	11/4	23/9	160/67	27/73	14/67	124/67	110/67
Rates per month								
Residential Rate per month (64 gal cart)	$33.57	$35.58	$38.21	$40.50	$43.78	$45.97	$45.97	$45.97
Commercial Rate (3Yd-1 per wk)	$184.00	$195.00	$209.00	$222.00	$240.00	$252.00	$252.00	$252.00
Rate Increase	5.00%	6.00%	7.40%	6.00%	8.10%	5.00%	0.00%	0.00%
Statistical/Performance Trends								
Waste Collected (Tons)	34,422	34,766	35,114	35,114	35,114	35,114	35,114	35,114
Average Residential Services	10,143	10,143	10,143	10,143	10,143	10,143	10,143	10,143
Average Dumpsters Services	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912

[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

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Commercial Collections	8,579,284	9,097,558	(117,057)	8,980,501	678,541	9,659,042	7.56%
Residential Collections	4,752,846	5,460,245	(473,519)	4,986,726	372,813	5,359,539	7.48%
Dumpster Container Rental	600,391	618,142	(86,194)	531,948	-	531,948	0.00%
Reimbursed Costs	88,759	77,463	1,037	78,500	-	78,500	0.00%
Miscellaneous	184,329	-	51,660	51,660	-	51,660	0.00%
Total Operating Revenue	**14,205,608**	**15,253,408**	**(624,073)**	**14,629,335**	**1,051,354**	**15,680,689**	**7.19%**
Non Operating Revenue							
Investment Income	956,093	-	917,000	917,000	(936,000)	(19,000)	-102.07%
Other Income	2,761	1	(1)	-	-	-	0.00%
Total Non Operating Revenue	**958,854**	**1**	**916,999**	**917,000**	**(936,000)**	**(19,000)**	**-102.07%**
Total Revenue	**15,164,462**	**15,253,409**	**292,926**	**15,546,335**	**115,354**	**15,661,689**	**0.74%**
Operating Expense							
Salaries and Benefits	3,137,856	3,331,325	320,465	3,651,790	47,356	3,699,146	1.30%
Overtime	153,623	129,622	(41,685)	87,937	-	87,937	0.00%
Total Labor	3,291,479	3,460,947	278,780	3,739,727	47,356	3,787,083	1.27%
Supplies	570,036	499,776	130,674	630,450	-	630,450	0.00%
Travel	100	3,918	2,082	6,000	-	6,000	0.00%
Contractual/Other Services	3,847,690	3,191,996	614,244	3,806,240	400,000	4,206,240	10.51%
Equipment/Furnishings	2,232	20,832	(20,832)	-	-	-	0.00%
Dividend to General Government	300,000	300,000	-	300,000	-	300,000	0.00%
Manageable Direct Cost Total	4,720,059	4,016,521	726,169	4,742,690	400,000	5,142,690	8.43%
Municipal Enterprise/Utility Service Assessment	198,426	877,914	(60,510)	817,404	14,887	832,291	1.82%
Depreciation/Amortization	2,045,441	1,257,000	-	1,257,000	-	1,257,000	0.00%
Non-Manageable Direct Cost Total	2,243,867	2,134,914	(60,510)	2,074,404	14,887	2,089,291	0.72%
Charges by/to Other Departments	2,390,679	3,017,654	-	3,017,654	423,271	3,440,925	14.03%
Intradepartmental Overheads	-	-	-	-	-	-	0.00%
Total Operating Expense	**12,646,083**	**12,630,036**	**944,439**	**13,574,475**	**885,514**	**14,459,989**	**6.52%**
Non Operating Expense							
Debt Issuance Costs	17,128	5,309	14,691	20,000	19,054	39,054	95.27%
Interest on Bonded Debt	1,852,545	-	2,033,164	2,033,164	(81,731)	1,951,433	-4.02%
Interest on Loans	285,236	179,765	270,235	450,000	180,000	630,000	40.00%
Lease Principle/Interest Expense	-	-	796	796	-	796	0.00%
Total Non Operating Expense	**2,154,908**	**185,074**	**2,318,886**	**2,503,960**	**117,323**	**2,621,283**	**4.69%**
Total Expense	**14,800,991**	**12,815,110**	**3,263,325**	**16,078,435**	**1,002,837**	**17,081,272**	**6.24%**
Net Income (Loss)	**363,471**	**2,438,299**	**(2,970,399)**	**(532,100)**	**(887,483)**	**(1,419,583)**	**166.79%**
Appropriation:							
Total Expense		**12,815,110**	**3,263,325**	**16,078,435**	**1,002,837**	**17,081,272**	**6.24%**
Less: Non Cash Items							
Depreciation/Amortization		1,257,000	-	1,257,000	-	1,257,000	0.00%
Total Non-Cash		1,257,000	-	1,257,000	-	1,257,000	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**11,558,110**	**3,263,325**	**14,821,435**	**1,002,837**	**15,824,272**	**6.77%**

Solid Waste Services - Refuse Collections
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**14,821,435**	**26**	**-**	**1**
2024 One-Time Requirements				
- Reverse One-Time - 2024 1Q - $1K 2024 retention bonus for all NON Rep Employees	(1,000)	-	-	-
Transfers by/to Other Departments				
- Charges by Other Departments	423,271	-	-	-
- Municipal Utility Service Assessment (MUSA)	14,887	-	-	-
Debt Service				
- Debt Issuance Costs	19,054	-	-	-
- Interest on Bonded Debt	(81,731)	-	-	-
- Interest on Loans	180,000	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	48,356	-	-	-
2025 Continuation Level	**15,424,272**	**26**	**-**	**1**
2025 Proposed Budget Changes				
- Disposal Utility Expense	400,000	-	-	-
2025 Proposed Budget	**15,824,272**	**26**	**-**	**1**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2025 Proposed Budget (Appropriation)	**15,824,272**	**26**	**-**	**1**
	2025 Proposed FTE			
	26.5	**26.0**	**0.0**	**0.5**

SWS Refuse
2025 Capital Improvement Budget

(in thousands)

Projects	Debt	State	Federal	Equity	Total
Replacement of Refuse Frontloaders and Sideloaders, and Light Duty Vehicles	-	-	-	650	650
Total	**-**	**-**	**-**	**650**	**650**

SWS Refuse
2025 - 2030 Capital Improvement Program

(in thousands)

Projects	Year	Debt	State	Federal	Equity	Total
Refuse Collection						
Replace Dumpsters and Roll Carts	2026	-	-	-	335	335
	2027	-	-	-	335	335
	2028	-	-	-	335	335
	2029	-	-	-	335	335
		-	-	-	1,340	1,340
Replacement of Refuse Frontloaders and Sideloaders, and Light Duty Vehicles	2025	-	-	-	650	650
	2026	-	-	-	350	350
	2027	-	-	-	350	350
	2028	-	-	-	380	380
		-	-	-	1,730	1,730
Refuse Collection Recycling						
Replace Recycle Roll Carts and Yard Waste Carts	2026	-	-	-	25	25
	2027	-	-	-	25	25
	2028	-	-	-	25	25
	2029	-	-	-	25	25
		-	-	-	100	100
	Total	**-**	**-**	**-**	**3,170**	**3,170**

Replace Dumpsters and Roll Carts

Project ID	REF2020003	**Department**	SWS Refuse
Project Type	Replacement	**Start Date**	January 2021
District	Assembly: Areawide	**End Date**	December 2029
Community Council			

Description

This funding allows Refuse Collection Utility to replace damaged dumpsters, roll carts each year, and purchase additional carts for new customers, or specialized needs, such as bear resistant carts to provide additional security from wildlife.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	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	Assembly: Areawide	**End Date**	December 2029
Community Council			

Description

Refuse Collections Utility purchases recycle roll carts and yard waste carts annually for replacement and new customers.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	560200 - Refuse Collection Capital	-	25	25	25	25	-	100
Total (in thousands)		**-**	**25**	**25**	**25**	**25**	**-**	**100**

Replacement of Refuse Frontloaders and Sideloaders, and Light Duty Vehicles

Project ID	REF2020002	**Department**	SWS Refuse
Project Type	Replacement	**Start Date**	January 2021
District	Assembly: Areawide	**End Date**	December 2028
Community Council			

Description

Purchase replacement of one (1) automated side loader and one (1) hook truck.

Version 2025 Proposed

		2025	2026	2027	2028	2029	2030	Total
Revenue Sources	**Fund**							
Net Position	560200 - Refuse Collection Capital	650	350	350	380	-	-	1,730
Total (in thousands)		**650**	**350**	**350**	**380**	**-**	**-**	**1,730**

Solid Waste Services - Administration
Statement of Revenues and Expenses

	2023 Actuals Unaudited	2024 Proforma	$ Change	2024 Revised	$ Change	2025 Proposed	25 v 24 % Change
Operating Revenue							
Non Operating Revenue							
Investment Income	34,720	-	(37,000)	(37,000)	-	(37,000)	0.00%
Total Non Operating Revenue	**31,039**	**-**	**(37,000)**	**(37,000)**	**-**	**(37,000)**	**0.00%**
Total Revenue	**31,039**	**-**	**(37,000)**	**(37,000)**	**-**	**(37,000)**	**0.00%**
Operating Expense							
Salaries and Benefits	2,719,142	1,415,021	2,459,485	3,874,506	441,165	4,315,671	11.39%
Overtime	79,045	46,174	(7,833)	38,341	-	38,341	0.00%
Total Labor	2,798,186	1,461,194	2,451,653	3,912,847	441,165	4,354,012	11.27%
Supplies	31,212	10,066	14,234	24,300	-	24,300	0.00%
Travel	18,092	6,988	4,132	11,120	-	11,120	0.00%
Contractual/Other Services	125,201	20,820	120,780	141,600	-	141,600	0.00%
Equipment/Furnishings	1,858	804	1,196	2,000	-	2,000	0.00%
Dividend to General Government	-	-	-	-	-	-	0.00%
Manageable Direct Cost Total	176,363	38,677	140,343	179,020	-	179,020	0.00%
Charges by/to Other Departments	(3,005,588)	(1,499,872)	(2,628,995)	(4,128,867)	(441,165)	(4,570,032)	10.68%
Total Operating Expense	**(31,039)**	**-**	**(37,000)**	**(37,000)**	**-**	**(37,000)**	**0.00%**
Non Operating Expense							
Total Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Total Expense	**(31,039)**	**-**	**(37,000)**	**(37,000)**	**-**	**(37,000)**	**0.00%**
Net Income (Loss)	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
Appropriation:							
Total Expense		**-**	**-**	**-**	**-**	**-**	**0.00%**
Less: Non Cash Items							
Total Non-Cash		-	-	-	-	-	0.00%
Amount to be Appropriated (Function Cost/Cash Expense)		**-**	**-**	**-**	**-**	**-**	**0.00%**

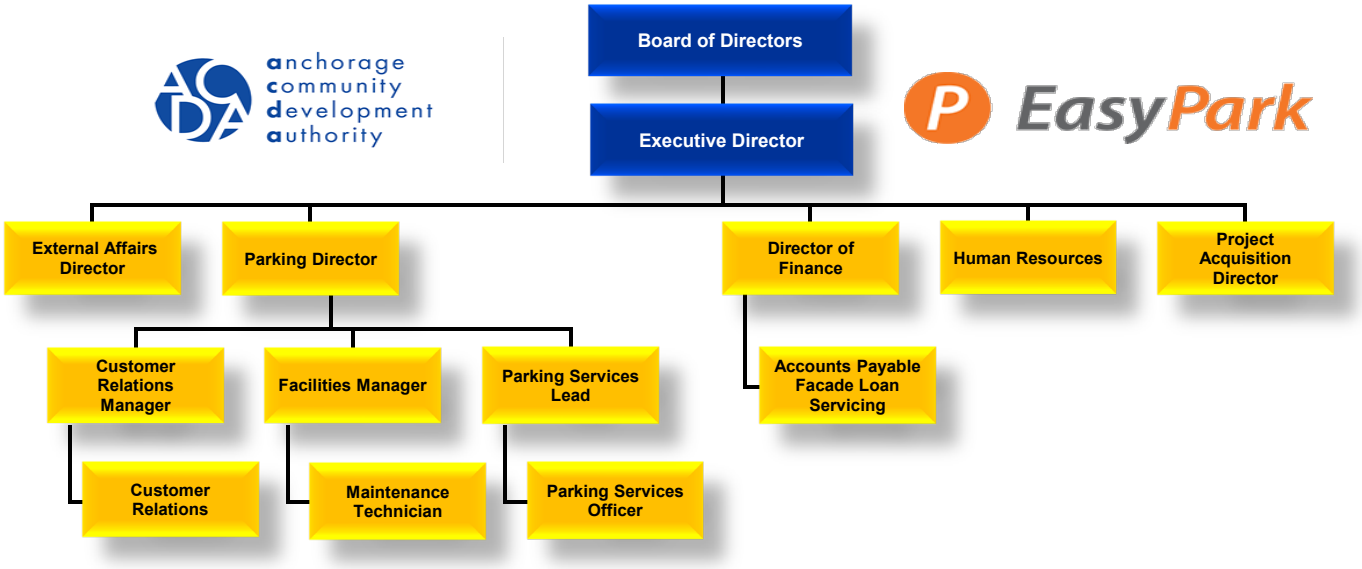
This fund is: not appropriated, presented for demonstration only, expenses are allocated to: Disposal 60% and Refuse 40%, and presented in Charges by/to Other Departments.

Solid Waste Services - Administration
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Expenses	FT	PT	Temp/ Seas
2024 Revised Budget (Appropriation)	**-**	**27**	**7**	**-**
Transfers by/to Other Departments				
- Charges by/to Others	(577,994)	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	183,569	-	-	-
2025 Continuation Level	**(394,425)**	**27**	**7**	**-**
2025 Proposed Budget Changes				
- 2 New Account Representative III (Full Time)	182,386	2	-	-
- 1 New Maintenance Superintendent (Full Time)	123,332	1	-	-
- Upgrades for several Administrative Officer employees	33,627	-	-	-
2025 Proposed Budget	**(55,080)**	**30**	**7**	**-**
2025 Budget Adjustment for Accounting Transactions (Appropriation)				
- None	-	-	-	-
2025 Proposed Budget (Appropriation)	**-**	**30**	**7**	**-**
	2025 Proposed FTE			
	36.8	**30.0**	**6.8**	**0.0**

This fund is: not appropriated, presented for demonstration only, expenses are allocated to: Disposal 60% and Refuse 40%, and presented in Charges by/to Other Departments.

Anchorage Community Development Authority and EasyPark



Executive Director's Message

ACDA's mission is to "Serve as the catalyst for economic development by delivering quality private/public projects and innovative parking mobility services within the Municipality of Anchorage." To that end, 2025 promises to be a banner year for the organization. The 2025 budget will be an important tool for the staff to aid in guiding the corporation in meeting its goals.

Reflecting on 2024

2024 was a transformative year for the ACDA. Notable achievements included:

1) Replacement of on-street parking infrastructure through installation of 1400 new parking meters.
2) Initiation of a rate increase at the surface lots and garages.
3) The passage of SB179 gives the Assembly the authority to create important incentives for building much-needed housing.
4) Continued collaboration with the administration and the Assembly to work towards housing solutions
5) Stabilizing the Authority's financial position.
6) For the first time, ACDA has applied for federal grants to support housing projects in 2025.

Most importantly, ACDA will carry the same commitment and enthusiasm forward, ensuring the achievement of the Authority's goals in 2025.

Key Projects and Initiatives for 2025

Development Projects

- **Block 102 Mixed-Use Development:** This significant project will create new housing and commercial opportunities in downtown Anchorage.
- **6th Avenue Hotel Project:** Starting construction on this $70 million initiative will boost tourism and provide essential infrastructure.
- **The Anchorage Neighborhood Revitalization Initiative:** A program that could see as many as 2,000 additional housing units constructed in Anchorage while cleaning up our blighted and abandoned property.

Legislative Activities

- We are assembling a team of professionals who can guide ACDA in advocating for more reform at the state level, which will allow our assembly to formulate increased developer tools at the local level.

Partnerships and Economic Development

- **Great Streets Façade Loan Program:** ACDA will continue aiding small businesses by offering these low-interest loans in partnership with The Alaska Small Business Development Center.
- **D Street Area Wide Plan:** Engagement with downtown stakeholders and developers will ensure the plan, which, when implemented, will drive housing and economic growth moves forward.
- **Downtown:** EasyPark will continue to work with downtown events and the Anchorage Downtown Partnership to make our downtown vibrant and active.

Financial Outlook

Despite the anticipated reduction in cash flow for 2025, ACDA is projecting positive revenue growth from all sources. We will utilize predevelopment funds to initiate new projects and ensure that we begin and end the year with ample cash reserves to meet any arising demands. Cash reserves will adhere to required levels; overall, the outlook for 2025 is positive.

Conclusion

On behalf of the ACDA team, I am proud of our strides over the past year and excited about the opportunities that lie ahead. Together, we will continue to build a bright future for our city, fostering growth, innovation, and community well-being.

Sincerely,

Mike W. Robbins
Executive Director

Building Our City's Future

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 ACDA Board. The management team of the ACDA reports to the Board of Directors. The Executive Director is appointed by and serves at the pleasure of the Mayor.

ACDA consists of two departments: Development and Parking Services (branded EasyPark), with a total operational staff of 25 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 ACDA's inventory. ACDA's planning and development staff work on projects and property transferred from the Municipality to the ACDA, along with other redevelopment projects, both in the public and private sectors.

History

The predecessor of the ACDA, the Anchorage Parking Authority, was initially 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 1980s.

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 the 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 at the ACDA, which would be responsible for acquiring and/or disposing of interests in real property, and constructing, improving, operating, managing, and controlling real property assets.

In June of 2011, the Assembly delegated the ACDA 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 of Directors and staff attended a retreat to evaluate the Authority's past, present, and future contributions to the community. The following year, in 2023, the ACDA Board adopted a new Mission and Vision to guide that contribution into the future.

Mission & Vision

ACDA's Mission Statement is: "*Serve as the catalyst for economic development by delivering quality private/public projects and innovative parking mobility services within the Municipality of Anchorage.*"

ACDA's Vision Statement is: "*A vibrant and prosperous Municipality of Anchorage, experiencing economic growth, robust development, and cutting edge parking mobility services.*"

Under Municipal code, the 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, 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 2025

- The Authority's cash flow will be slightly in the red as the organization begins several important development projects.
- Garage daily and hourly parking revenue for 2025 will grow due to hourly rate increases.
- On-street parking revenue will see modest growth in 2025.
- Leasing revenues, having dipped in 2024, will begin to climb again in 2025 as additional ground leases contribute.
- Permit or contract parking revenue will grow in 2025 as new contracts come online.

Expenses 2025

- Wages will increase to keep up with inflation.
- 2025 will see $2.1 million in maintenance performed on garages.
- Continued support of the community with over $250,000 in cash and in-kind donations.
- Security costs will rise again in 2025.
- Professional services budget will increase as a part of pre-development investment on upcoming projects.

Anchorage Community Development Authority
Statement of Revenues and Expenses

	2024 Approved	2025 Proposed
Operating Revenue		
Parking Revenue	6,517,931	6,874,900
Leased Space Revenue	315,000	461,626
Other Non-Operating Revenue	191,000	569,382
Real Estate Sales - Development	-	-
Total Operating Revenue	**7,023,931**	**7,905,908**
Operating Expense		
Labor	2,783,391	2,922,561
Professional Fees	315,000	542,500
Contract Services	1,094,000	1,224,000
Information Services	170,000	180,000
Direct Maintenance Costs	315,500	428,500
Facility Maintenance Contract Services	284,500	360,400
Utility Expenses	316,500	358,500
General Expenses	623,000	794,150
Municipal Enterprise Service Assessment (MESA)	450,000	472,500
Office Expenses	41,000	38,000
Employee Expenses	37,000	57,000
Interest Expense	8,000	492,258
Depreciation	1,643,000	1,500,000
Total Expenses	**8,080,891**	**9,370,369**
Net Income (Loss)	**(1,056,960)**	**(1,464,461)**
Appropriation		
Total Expense		
Less: Non Cash Items		
Depreciation	(1,643,000)	(1,500,000)
Amount to be Appropriated (Cash Expense)	**6,437,891**	**7,870,369**

Anchorage Community Development Authority
Capital Improvement Budget

(in Thousands)

Projects	2025 Proposed
5th and 6th Deck Repairs	1,100,000
Anchorage Neighborhood Redevelopment Initiative/Business Plan Fireweed parcel purchase and development	500,000
Fireweed parcel purchase and development	5,700,000
RV Resort planning and preparation	1,000,000
Other property acquisition	6,200,000
5th and 6th Stairwell Replacement	1,000,000
Vehicle and equipment replacement	125,000
Total	**15,625,000**

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
AEA	Alaska Energy Authority
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
AMIS	Asset Management Information System
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	The Anchorage Water & Wastewater Utility, a public corporate authority of the Municipality of Anchorage, operator of the public water and sewer system.
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 (CARES) Act, also known as the CARES Act, is a $2.2 trillion economic stimulus bill passed by the 116th U.S. Congress and signed into law by President Donald Trump on March 27, 2020, in response to the economic fallout of the COVID-19 pandemic in the United States.
CBA	Collective Bargaining Agreements
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	Emergency Medical Services
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 Systems (GIS) Services supports all municipal departments by providing geographic data, data management, products, and services.

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
IT	Information Technology
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
MCC	Motor Control Centers
MEA	Matanuska Electric Association
MESA	Municipally owned enterprises (Port, Merrill Field, Solid Waste Services) do not pay property taxes. Municipal Enterprise Service Assessment (MESA) is a payment similar to a property tax that is assessed on these entities.
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	Municipally owned utilities do not pay property taxes. Municipal Utility Service Assessment (MUSA) is a payment similar to a property tax that is assessed on these entities.
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
NVE	Native Village of Eklutna
O&M	Operations & Maintenance
OSHA	Occupational Safety & Health Administration
PA	Personal Announcement System
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
Prism	Plant Replacement Improvement Surcharge Mechanism
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
TWG	Technical Work Group
UL	Underwriters' Laboratory
USBR	U.S. Bureau of Reclamation

USCG	U.S. Coast Guard
USFWS	United States Fish and Wildlife Service
UV	Ultraviolet