



AWWU Proposed 2024 Q1 Budget Revisions

Originally Submitted to OMB

March 1, 2024

Endorsed by:

Mark A. Corsentino, P.E.

AWWU General Manager

MOA Position 5232

The General Manager's duties and responsibilities are to provide guidance and leadership to the utility staff to ensure that the Anchorage Water and Wastewater Utilities are:

- Operated under prudent business principles;
- Satisfying customer expectations;
- **Complying with all Federal, Alaska, and Municipal laws and regulations;**
- Responsive to long-term growth needs of the Municipality of Anchorage; and
- Meeting the needs of the utilities' owners.

The General Manager directly supervises the AWWU Division Directors.

14. List the duties and responsibilities of the position. Begin with the most important duty and list in decreasing order of importance. Describe each duty in detail and include the % of time of each. Use additional sheets as necessary.
*The supervisor must define each duty/function as essential (E) or marginal (M).

Essential = E		Marginal = M	Percent of Time = %T
*E/M	%T	DUTIES/FUNCTIONS/TASKS	
E	100	Management and oversight of all aspects of AWWU operations including: <ul style="list-style-type: none"> • Operating and Capital budgets; • Operating and Capital expenditures; • Development of strategy for periodic rate case filings; • Establishing levels of service and development of tariff filings • Hiring, supervising and setting compensation for Division Directors; • Ensuring compliance with all Federal and Alaska laws and regulations regarding water quality, health and safety and employee requirements; • Ensuring compliance with the Municipal Charter, Municipal Code and other Municipal regulations that are applicable; and • Development of 20-year improvement plans. 	

AWU Proposed Q1 Budget Requests

2024 REVISED OPERATING BUDGET

Exec Name: Kent Kohlhasse / Kolby Hickel

Department Anchorage Water Utility

4	Division	Description	Fund	Fund Center	Commitment Item	PCN(s)	# Position(s) Added / (Removed)	(V)acant or (F)illed	Direct Cost Incr / (Decr)	Non-Prop Tax Revenue Increase / (Decrease)
5	Non-Div	Water Residential Sales	540000	870100	410010				\$ -	\$1,700,000
6	Non-Div	Water Commercial Sales	540000	870100	410020				-	100,000
7	Non-Div	Water Public Authority Sales	540000	870100	410030				-	100,000
8	Non-Div	Water Misc Charges	540000	870100	410040				-	(1,000,000)
9	various	GASB 101 One-time starting balance	540000	various	various				67,921	-
10	various	Leave accrual adjustment GASB 101	540000	various	501035				388,620	-
11	Treatment	Loss of Chugach Elec Restricted Rate Reduction	540000	874320	550080				196,000	-
12	Treatment	Chemicals - 2024 bid openings/chemical change	540000	various					250,000	-
13	various	Travel	540000	various	520000				25,000	-
14	GM	Other Professional Services	540000	871100	530380				(25,000)	-
15	Non-Div	MUSA	540000	870100	580510				(85,814)	-
16	Non-Div	Depreciation	540000	870100	542010				(79,574)	-
17	Non-Div	AFUDC	540000	870100	580060				210,593	-
18							-	-	\$ 947,746	\$ 900,000

**Regulatory Requirements per AMC, GASB, RCA, EPA

Net Zero Changes necessary for Staff Retention and Professional Certification Requirements



ASU Proposed Q1 Budget Requests

2024 REVISED OPERATING BUDGET										
Exec Name: Kent Kohlhasse / Kolby Hickel										
Department Anchorage Wastewater Utility										
4	Division	Description	Fund	Fund Center	Commitment Item	PCN(s)	# Position(s) Added / (Removed)	Vacant or (F)illed	Direct Cost Incr / (Decr)	Non-Prop Tax Revenue Increase / (Decrease)
5	Non-Div	Sewer Residential Sales	550000	880100	411010				\$ -	\$ (100,000)
6	Non-Div	Sewer Commercial Sales	550000	880100	411020				-	200,000
7	Non-Div	Sewer Public Authority Sales	550000	880100	411030				-	200,000
8	Non-Div	Sewer Misc Charges	550000	880100	411040				-	(419,000)
9	various	GASB 101 One-time starting balance	55000	various	various				44,622	-
10	various	Leave accrual adjustment GASB 101	550000	various	501035				373,071	-
11	various	Travel	550000	various	520000				25,000	-
12	GM	Other Professional Services	550000	881100	530380				(25,000)	-
13	Non-Div	MUSA	550000	880100	580510				(51,107)	-
14	Non-Div	Depreciation	550000	880100	572010				11,730	-
15	Non-Div	AFUDC	550000	880100	580060				27,154	-
16									\$ 405,470	\$ (119,000)

**Regulatory Requirements per AMC, GASB, RCA

Net Zero Changes necessary for Staff Retention and Professional Certification Requirements



AWWU Proposed Q1 Budget Request History – No Feedback until 4/9 LOTT

March 1st

April 3rd

April 9th

Re: AWU and ASU 2024 First Quarter Budget Proposal and Narratives

Corsetino, Mark A.
 To: Persinger, David A.; Kohlase, Kent E.; Hickel, Kolby A.; Lechner, Sharon
 Cc: West, Casie M.; Broyles Jr, Jack O.; Davidson, Deatra S.; Chesnut, Christine L.
 Fri 03/01/2024 3:42 PM

The important high level summary, particularly for Kent and Kolby, is that this submission is essentially a **net zero budget change** for AWWU other than the \$250k chemical increase for Water based on the recent 2024 bid openings for those chemicals.

Otherwise MUSA, depreciation, revenue and AFUDC are calculated non-manageable budget items.
 The GASB increase for NCL is a new regulatory requirement for enterprise type entities.
 The travel is a net zero change to the budget, we are moving money from one commitment item to another to support business needs.

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From: Persinger, David A. <David.Persinger@awwu.biz>
Sent: Friday, March 1, 2024 3:05 PM
To: Kohlase, Kent E. <kohlaseke@muni.org>; Hickel, Kolby A. <kolby.hickel@anchorageak.mail.onmicrosoft.com>; Lechner, Sharon <sharon.lechner@anchorageak.mail.onmicrosoft.com>
Cc: West, Casie M. <Cassandra.West@awwu.biz>; Broyles Jr, Jack O. <Jack.Broyles@awwu.biz>; Corsetino, Mark A. <Mark.Corsetino@awwu.biz>; Davidson, Deatra S. <Deatra.Davidson@awwu.biz>; Chesnut, Christine L. <christine.chesnut@anchorageak.mail.onmicrosoft.com>
Subject: AWU and ASU 2024 First Quarter Budget Proposal and Narratives

Good Afternoon,
 Please find attached First Quarter Budget Revision proposals and narratives for Anchorage Water Utility and Anchorage Sewer Utility. Please let us know if you have any questions, concerns or need further clarification on any of these.

Respectfully,



1st Qtr Budget Schedule - AWWU requests

Corsetino, Mark A.
 To: Kohlase, Kent E.; Hickel, Kolby A.; Lechner, Sharon
 Cc: Persinger, David A.; Broyles Jr, Jack O.
 Bcc: West, Casie M.
 Wed 04/03/2024 8:22 AM

You replied to this message on 04/09/2024 11:55 AM.

Re: AWU and ASU 2024 First Quarter Budget Proposal and Narratives Outlook item
 AWU 2024 1Q proposal.xlsx 18 KB
 ASU 2024 1Q proposal.xlsx

Kent, Kolby, Sharon,
 Can you provide an update on Q1 Budget revision requests?
 AWWU has several invoices to pay (like \$50k to AEDC) in which we made several Q1 net zero changes to move funding from one fund center to another.
 Without those net zero changes (along with the modest budget increase requests due to chemical cost increases), we will continue to face delays in payments, some of which are here and now.
 The net zero budget changes don't need Assembly approval, however the modest budget increases will.
 We can hold off payments for a short time and wait for the Assembly Q1 budget schedule (April 9th intro and April 23rd approval?).
 However, if the net zero changes aren't going to move forward, we'll need to move forward with budget transfers sooner than later to pay bills.
 Please let us know if you need anything from us to move this forward.
 Thank you,

RE: 1st Qtr Budget Schedule - AWWU requests

Corsetino, Mark A.
 To: Kohlase, Kent E.; Hickel, Kolby A.; Lechner, Sharon
 Cc: Persinger, David A.; Broyles Jr, Jack O.; West, Casie M.
 Tue 04/09/2024 11:55 AM

Re: AWU and ASU 2024 First Quarter Budget Proposal and Narratives Outlook item
 AWU 2024 1Q proposal.xlsx 18 KB
 ASU 2024 1Q proposal.xlsx 19 KB

Sharon, Kent, Kolby,
 We've been working well with OMB to get the Q1 Capital changes made, which has been much appreciated as I believe our proposals are being put forward for Assembly approval.
 Unfortunately, we have not seen any confirmation regarding Operational Q1 Budget changes.
 According to the schedule below, the Q1 Budgets are due for introduction to the Assembly tonight, with a 4/12 Assembly Workession.
 Is this schedule accurate?

2024 1st Quarter Budget Revisions, Tax Rates, and Tax Levies Schedule			
Date	Work Days from Today	Party	Action
Tuesday, April 2, 2024	N/A		Anchorage Municipal Election (AMC 28.20 (YGA: First Tuesday in April)
Tuesday, April 9, 2024	5		Regular Assembly Meeting - Introduction of budget revision resolutions(s) and MOA and ASD tax levy ordinances and bond appropriations
Tuesday, April 9, 2024	6	OMB	LOTT distributions: 1) GG Revisions (AR w/ AM incl. Exhibit); 2) GG Mill Rates; 3) ASD Mill Rates w/ AO and AM; 4) Utilities / Enterprise Revised; and 5) AIM (Utility Dividend Memos)
Friday, April 12, 2024	8	OMB	Assembly work session on proposed budget revisions and tax levies
Monday, April 15, 2024	9	OMB	Resolutions for approved bond appropriations in CRBase for introduction on 04/23
Tuesday, April 16, 2024	10		Assembly meeting based on election results for action on 05/07 Election Commission Meeting and Public Camass - Adoption of Report and Official Election Results Published (AMC 28.00 (20A, 2nd Friday after Election))
Wednesday, April 17, 2024	11	Public Finance/Treasury	Updated debt service and revenue requirements, based on election results, to OMB
Wednesday, April 17, 2024	11	Property Appraisal	Updated assessed values, based on election results, to OMB
Friday, April 19, 2024	13	Assembly (OMB Attendee)	Assembly work session on proposed budget revisions and tax levies - Assembly amendments
Monday, April 22, 2024	14	OMB	5 versions in CRBase for 04/23 Assembly meeting - Election results (annexations/denunciations, bond props, etc. may affect budgets and mill rates due to debt service O&M, etc.)
Tuesday, April 23, 2024	15		Regular Assembly Meeting - Certification of election results (AMC 28.00.060), Public hearing on budget revisions and tax levies. Action on operating budget revisions, tax levies (this is the last meeting before Treasury bill notification deadline), and bond appropriations
Wednesday, April 24, 2024	16	OMB	Load budget amendments into SAP
Wednesday, May 1, 2024	21	Treasury	Deadline for Treasury to receive mill rates to prepare tax notice mailouts
Wednesday, May 15, 2024	31		Deadline for tax notices to be mailed (AMC 12.15.060 A.2, requires "tax bills be mailed" at least 30 days prior to the date taxes owed become due" which is June 15)

AWWU has Operational invoices outstanding and more coming that necessitate these Q1 budget changes and we are struggling to fund necessary items such as OSHA Safety Training and GIS mapping needs at Eklutna Lake.
 Sharon had indicated we can do budget transfers, but without knowing if the Q1 proposals are moving forward or not, we cannot do that without a comprehensive budget plan as this creates unnecessary work and inefficiencies with an already short-staffed and overworked organization.
 As an example, for the OSHA Safety training we centralized the existing Safety budget from all 7 AWWU Divisions to fund it in one fund center (managing Division) to simplify management and invoicing for the contract.
 I can't move forward with that contract until I know the fund source, hence needing to know if the Q1 Budget recommendations are at least supported by the Administration for Assembly approval.
 Can someone please confirm the proposed Q1 Operational changes requested by AWWU will be put forward for Assembly approval?
 The consequences of not moving these Q1 Operational budget changes forward could have severe negative compliance consequences, and with no benefit as these Operational budget changes have no property tax or rate impact.
 I do NOT plan to pay for half the invoice from AEDC (\$25k) from the Water Utility if the budget transfers are not approved as we'll be severely short on chemical expenses for Water (the one Q1 Budget increase was from Water Chemical increases and loss of Electric Credits).
 Thank you,

LOTT Q1 Utility Revenue Distribution AIM - Misinformation & Associated Impacts

3) Memo from Anchorage Water and Wastewater Utility ("AWWU"):

The Anchorage Wastewater Utility continues to operate under an RCA dividend restriction and is therefore unable to transfer a dividend to general government.

The Anchorage Water Utility ("AWU") proposes a \$1.5 million dividend to general government. See the Administration's response, below.

See slide 12 See slide 13 See next slide

AIM – Utility Revenue Distribution Memo Pg 2 of 2

4) Merrill Field: See the Administration's proposal, below.

The Administration's proposals, if different than utility or enterprise fund proposals are as follows:

AWU: The Administration proposes, and has budgeted to receive, a \$5.6 million AWU dividend which represents 33% of AWU's 2022 net income (2023 has not yet closed). In support of this change, the Administration notes that as shown on Exhibit 1, AWWU underpays when compared to other municipally owned utility and enterprise fund peers, whether viewed in terms of a revenue distribution or in terms of an equity distribution. Further, as shown on Exhibit 2, AWWU consistently budgets very conservatively, resulting total four-year AWU dividends of only \$1.93 million vs. net income before dividend of over \$56 million, an average annual AWU earnings allocation to owner of only 3% when compared to the 75% earnings allocation allowed under Municipal Code (\$42 million during the four-year period) or compared to the 33% earnings allocation consistent with 2018 AWWU RCA testimony. The Administration notes that a 33% dividend – consistent with AWWU management testimony – is sustainable without a utility rate increase whereas a 75% dividend would either require a rate increase and/or would soon result in AWU becoming equity-impaired and thereafter subject to a dividend restriction.

Water Utility Is at Risk on Multiple Fronts and Cannot Afford an Irresponsible \$5.6M Dividend as Proposed in LOTT AIM

- PFAS New SDWA Requirements by EPA Finalized April 10, 2024
- Eklutna Raw Water Sales threats are in active RCA Case TA179-122
- Eklutna Raw Water Main from Eklutna Lake at Increased Risk
- AWU will be spending \$10's of Millions to make up for lost water supply

Past Assembly EUOC Briefings Touched upon these risks; August 17, 2023 & January 18, 2024

Strategic Risks: New Regulatory Requirements and Ongoing Inflation will add to Financial Costs

- EPA and ADEC have new Safe Drinking Water Act Regulations for Lead/Copper
 - EPA and ADEC have new proposed Safe Drinking Water Act Regulations for PFAS*
 - EPA and ADEC have new proposed Safe Drinking Water Act Regulations for Cybersecurity
 - EPA and ADEC have new proposed Clean Water Act Regulations for Human Health Criteria
 - EPA and ADEC have new Clean Water Act Regulations for PFAS*
 - EPA is actively evaluating AWWU's 301(h) NPDES permit; a loss of which is a \$1.5 Billion liability and a cost increase to customers of over \$115/month; which would in effect double the combined AWWU rate of \$115/month
 - AWWU is in an active COBC with ADEC for the Girdwood Well
 - AWWU is in an active permit re-application with ADEC for the Girdwood WWTF – a potential \$50M+ liability
 - New EPA Cybersecurity Assessments for Water Utilities
- *Mandatory PFAS sampling requirements will increase laboratory fees in the tens of thousands of dollars annually.

Expense Increases	21/22	22/23	% Increase
Salt	\$.33/lb	\$.44/lb	33%
Hypo	\$ 4.88	\$ 7.17	47%
Fluoride	1.02	2.12	108%
Gas*	\$ 1.68	\$ 3.54	111%
Diesel*	\$ 1.54	\$ 3.57	132%
Sludge Hauling	\$ 260,000	\$400,000	54%
Pipe Install	\$1800/lf	\$3100/lf	72%
Pave & Patch	\$ 750,000	\$ 1,300,000	73%
Utilities: CEA 6%, Erstar 4% GCA, SWS 6%, AWWU 4.5%			
*Gas and Diesel initially went down in '23, but are increasing and we absorbed the increase in last year budget			

August 17, 2023
Slide 12

Specialty Environmental Regulatory Legal Services

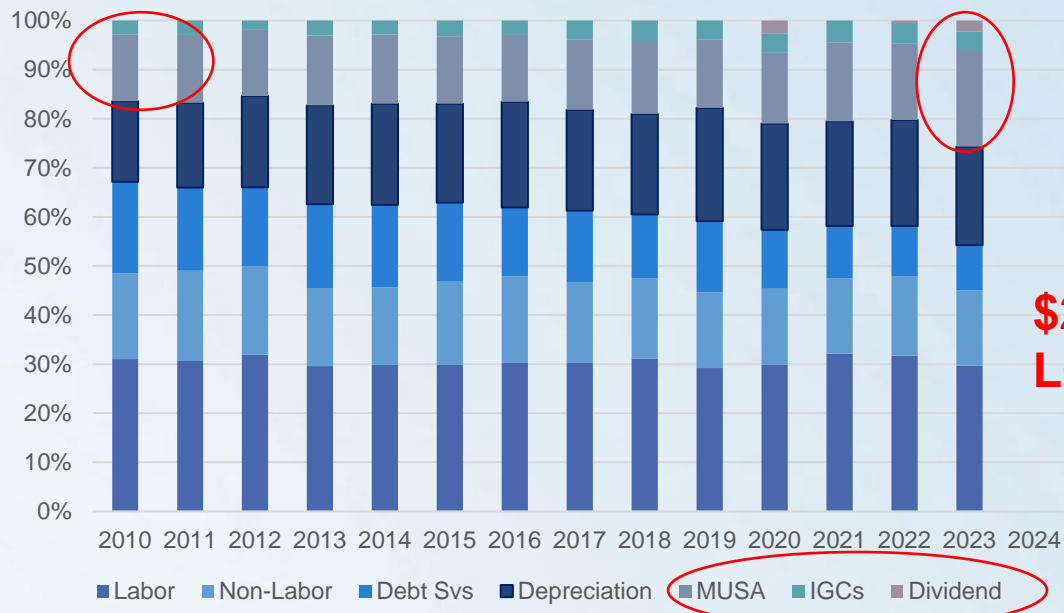
- Time sensitive and urgent as several EPA and ADEC environmental regulatory actions are active
- AWWU has similar specialized legal contracts for Water Rights and RCA Regulatory services and has had past environmental legal service contracts
- Asplund EPA 301(h) permit has an independent special legal contract that was competitively bid in 2021 with only 2 bidders
- Reeves Amodio has the former ADEC Commissioner in their firm whom was ADEC commissioner when Alaska assumed primacy from EPA for NPDES permits
- Girdwood WWTF 18-year administrative extension on ADEC permit with risk for no regulatory solution
 - Nov/Dec 2023 ADEC comments: DEC imagines prolonged discussions with AWWU about technical and regulatory options available for further consideration – as well as those that may not be warranted. At some point a regulatory pathway may not be available for further consideration.
- Girdwood Well COBC for GWUISW determination challenge
- Legal input for CWA change
 - HHC and State Water Quality Standards
 - PFAS hazardous substance and forthcoming new rules (ubiquitous substances in the environment)
- Legal input for SDWA changes
 - PFAS settlements for proposed new regulations; Legal review of all correspondence (CCR's)
 - Eklutna raw/unfinished water sales
- Landfill leachate and disposal alternatives regulatory pathways
- AWWU requested the Mayor waive Title 7 procurement rules under 7.20.090.A.2 to enter into this contract, time is of the essence, we have a meeting with ADEC meeting this afternoon with a need for specialized environmental regulatory legal representation

Expense Increases**	2021 Actuals	2022 Actuals	2023 Projected*	21 to '23 increase
Utilities (gas, el., tel, wtr, etc.)	\$ 7,280,757.20	\$ 7,330,157.46	\$ 8,200,000.00	12.63%
Chemicals (salt, FL, poly, etc.)	\$ 1,606,095.64	\$ 1,763,206.62	\$ 2,415,548.00	50.40%
Repair/Maint. Supplies	1,544,125.51	\$ 2,139,908.79	\$ 2,139,908.79	38.58%
Fuel (gas, diesel)	\$ 278,370.24	\$ 403,872.16	\$ 449,813.00	61.59%
	\$ 10,709,348.59	\$ 11,637,145.03	\$13,205,269.79	23.31%
rough June, Proforma adjusted for '23 projection				
expenses make up approx. 50% of Overall AWWU Non-Labor Budget				

January 18, 2024
Slide 3

AWWU Payments to the MOA are Disproportionately High and are Major AWWU Operating Expense & Driver in Rates

Water



\$29M LOTT

Top fifteen MOA Tax Payers 2023		
Owner	Taxable Value	Taxes Paid
AWWU	MUSA/MESA	\$17,165,191
Chugach Electric (Only ML&P Zone)	PILT	\$10,381,632
WEIDNER APARTMENTS	\$304,428,500	\$5,164,881
CALAIS CO INC	\$189,200,300	\$3,222,081
DOYON UTILITIES	\$167,137,036	\$2,559,744
GCI	\$135,803,892	\$2,024,554
FRED MEYER STORES INC	\$126,506,515	\$1,975,913
GALEN HOSPITAL ALASKA INC	\$114,667,300	\$1,956,470
UNITED PARCEL SERVICE	\$101,101,391	\$1,673,260
SISTERS OF PROVIDENCE	\$98,423,452	\$1,676,151
ENSTAR Natural Gas (2023 Estimate)	\$96,836,399	\$1,649,124
700 G STREET LLC	\$94,091,700	\$1,602,382
Solid Waste Disposal & Collection	MUSA/MESA	\$1,410,736
Port of Anchorage	MUSA/MESA	\$1,355,911
ALASKA AIRLINES INC	\$88,645,571	\$1,308,887

- AWWU pays over **\$25 Million** in annual expenses to the MOA for MUSA, IGCs, and dividends; these expenses have grown from 15% to 25% of AWWU's Budget since 2010.
- AWWU provides over \$125 Million in cash to the MOA Treasury (\$10M per month); money the MOA does not need to borrow to pay its expenses.

Utility	Operating Revenues (\$)	Operating Expenses (\$)	Net Capital Assets (\$)	PILT/MUSA Paid (\$)	% of Revenues	% of Op Expenses	% of Cap. Assets
AWWU	126,643,082	78,408,944	985,655,296	17,165,191	13.55%	21.89%	1.74%
Madison Water Utility	47,113,949	26,068,368	300,981,958	629,228	1.34%	2.41%	0.21%
Portland (ME) Water District	27,780,678	22,101,327	236,445,553	60,967	0.22%	0.28%	0.03%
Superior Water, Light & Power (Water)	10,256,901	6,858,889	114,878,380	208,667	2.03%	3.04%	0.18%
Colorado Springs Utilities w/gas/elect.)	1,234,496,000	873,548,000	6,733,008,000	37,279,000	3.02%	4.27%	0.55%



LOTT RCA Consequences – Dividend Restrictions to MOA

Cutting Essential Utility Services while providing a dividend could put AWWU on a Dividend Restriction. To avoid that, AWWU proposed the dividend with the RCA LRFP and to prevent irreparable harm to AWWU Operations in the eyes of AWWU management and the RCA (AWWU is already dividend restricted for Sewer):

In RCA Order 22 of Docket U-13-184, dated 7/16/2015:

ML&P was restricted from paying dividends to the MOA effective January 1, 2016 “...to enhance the financial position of ML&P and allow it to retain earnings... to protect the utility and its ratepayers and...the continued financial stability of ML&P is the over-riding concern...it is simply not fair for the utility to continue dividends given...decreasing equity...”

January 11, 2022 RCA Transcript in AWWU Rate Case:

REGULATORY COMMISSION OF ALASKA
PUBLIC HEARING, January 11, 2022 U-21-010/011/016

1 CHAIRMAN PICKETT: I have no questions at this time.
2 ALJ DAVIS: Okay. Commissioner Sullivan?
3 COMMISSIONER SULLIVAN: Yes, thank you. To Ms.
4 Villadsen, a question. You know, we know that the retained
5 earnings obviously fund the capital needs of the utility and we
6 also know that the city is the owner, so while you said there's
7 significant overlap between, you know, the ratepayers the city
8 in general, I don't know what the percentage is of those who
9 are on city water and sewer, but it's fairly high obviously.
10 But it seems to me that if there's a need for rate increases
11 and we're still paying a dividend to the city, why wouldn't the
12 first recommendation be to reduce the dividend?

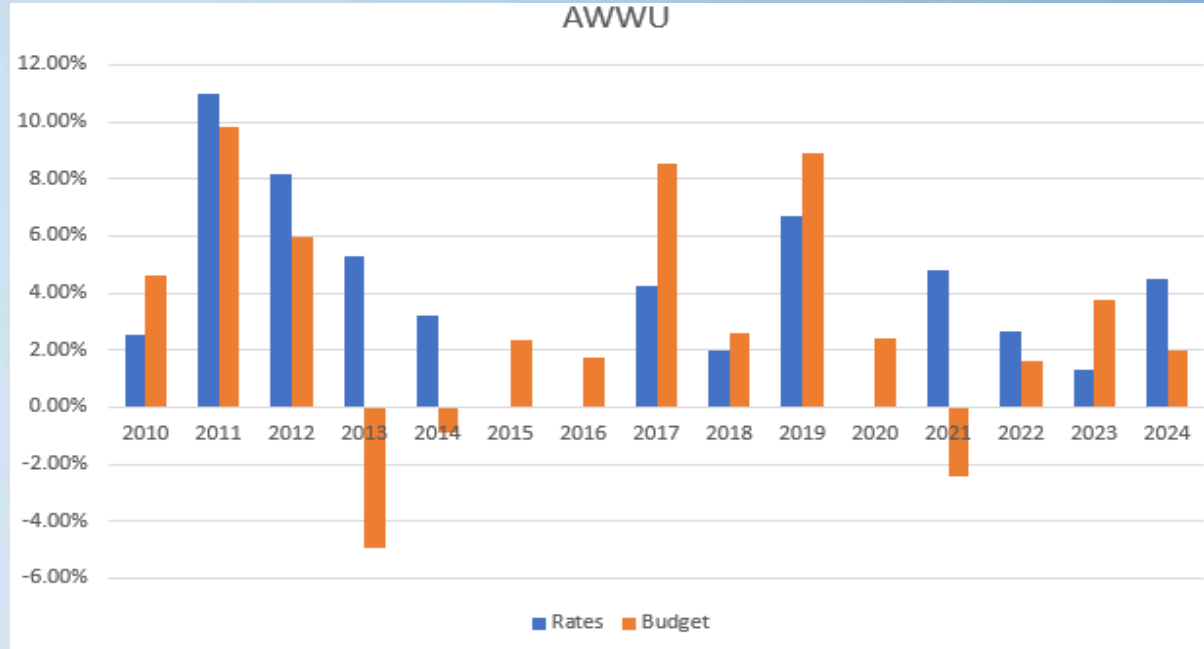
Anchorage Water Utility Long Range Financial Plan Summary 2023 Budget LRFP

	2023	2024	2025	2026
Selected Balance Sheet Accounts				
Operating Cash	30,959,516	27,224,962	25,987,727	24,956,607
Construction Cash	40,327,496	40,490,496	40,611,496	41,688,496
Net Capital Assets	585,865,641	590,925,546	594,437,689	596,654,498
Revenue Bonds	104,693,950	98,561,416	92,253,884	85,501,352
State of Alaska Loans	102,895,824	103,441,804	105,530,101	107,649,513
Key Bank Loan	1,000	1,000	1,000	1,000
Unamortized Premiums / Discounts	10,242,014	9,123,937	8,050,078	7,204,265
Net Long Term Debt	217,832,862	211,128,231	205,835,137	200,356,204
Contribution in Aid of Construction	185,310,000	182,470,000	179,600,000	176,710,000
Net Assets (Equity)	216,942,662	225,894,662	235,326,662	245,528,662
Summary Income Statement				
Residential	47,800,000	50,500,000	52,400,000	54,300,000
Commercial	15,500,000	16,400,000	17,000,000	17,600,000
Public Fire Protection	4,300,000	4,500,000	4,700,000	4,900,000
Charges for Services	67,600,000	71,400,000	74,100,000	76,800,000
Miscellaneous Revenue	1,300,000	1,300,000	1,300,000	1,300,000
Operating Revenue	68,900,000	72,700,000	75,400,000	78,100,000
Source of Supply	(1,382,757)	(1,420,000)	(1,460,000)	(1,500,000)
Pumping Plant	(511,873)	(530,900)	(550,000)	(570,000)
Water Treatment	(6,516,364)	(6,710,000)	(6,910,000)	(7,120,000)
Transmission and Distribution	(10,900,718)	(11,230,000)	(11,570,000)	(11,920,000)
Customer Accounts	(4,130,854)	(4,250,000)	(4,380,000)	(4,510,000)
PERS/OPEB Expense and On-Behalf	-	-	-	-
Administrative and General Expense	(9,351,803)	(9,630,000)	(9,920,000)	(10,220,000)
Operating Expenses	(32,794,369)	(33,770,000)	(34,790,000)	(35,840,000)
Depreciation & Amortization	(13,240,741)	(13,900,000)	(14,550,000)	(14,900,000)
Total Operating Expenses	(46,035,110)	(47,670,000)	(49,340,000)	(50,740,000)
Operating Income	22,864,890	25,030,000	26,060,000	27,360,000
Investment Income	1,488,050	530,000	490,000	480,000
Other Income/Exp	62,000	62,000	62,000	62,000
Interest expense and amortization on debt	(6,084,304)	(5,470,000)	(5,280,000)	(5,090,000)
Allowance for Funds Used During Construction	700,000	950,000	960,000	970,000
Intergovernmental Revenue	-	-	-	-
Total, non-operating	(3,834,854)	(3,928,000)	(3,768,000)	(3,578,000)
Income Before Transfers	19,030,036	21,102,000	22,292,000	23,782,000
Special Item & Transfer	-	-	-	-
MUSA: mill rate based	(9,125,767)	(11,150,000)	(11,860,000)	(12,580,000)
Net Income (Loss)	9,904,269	9,952,000	10,432,000	11,202,000
Less Dividend Paid	(1,500,000)	(1,000,000)	(1,000,000)	(1,000,000)
Change in Equity	8,404,269	8,952,000	9,432,000	10,202,000
Capital Program	20,195,000	21,205,000	21,265,000	20,828,000
New Debt Issued	7,000,000	11,000,000	13,000,000	13,500,000
Rate Increase	1.85%	5.50%	3.50%	3.50%
Residential Rate	59.83	63.12	65.33	67.61
Actual Debt/Equity Ratio:				
Debt	50%	48%	47%	45%
Equity	50%	52%	53%	55%
Dividend to MOA	1,500,000	1,000,000	1,000,000	1,000,000
Operating Margin	33%	34%	35%	35%
Revenue Bond Debt Svc Coverage	2.51	2.63	2.73	2.77
Total Debt Svc Coverage	1.23	1.24	1.25	1.26
Debt Svc as a Percentage of Revenue	33%	32%	31%	31%
Debt to Asset Value	37%	36%	35%	34%
% of CIP Funded through Equity	69%	47%	38%	38%
Days Cash on Hand	270	221	203	188



AWWU Provides Essential Community Services that are Highly Scrutinized and Regulated Economically and Environmentally

- AWWU's mission and purpose: *Safeguard the public health and environment by providing safe, economic and reliable water and wastewater services in a sustainable manner.*
- The Regulatory Commission of Alaska (RCA or Commission) regulates public utilities by certifying qualified providers....and ensuring that they provide safe and adequate services and facilities at just and reasonable rates, terms, and conditions.
- AWWU is rate based, funded by customers and collects no property taxes; changing AWWU's budget has NO impact on property taxes.
- AWWU's rates are regulated by the RCA and are not tied to budgets; rates have remained flat even with budget increases.
- AWWU underspends budgets as we do zero based budgeting and budget for anticipated needs (regulatory cases and regulatory changes) and anticipated water demands that may NOT come to full fruition, but we must quickly fund if the need comes up. Case in point, we had limited RCA spend last year, but we are spending at a very high rate this year. Those schedules are oftentimes not known to AWWU during budgeting.
- There are no consequences to budget conservatively (no rate impact), but severe consequences if we underbudget and don't have funds to meet regulatory obligations
- **AWWU Management is obligated to adhere to prudent management practices to furnish and maintain adequate, efficient, and safe service and facilities...that shall be reasonably continuous and without unreasonable interruption or delay (AS 42.05.0291(a)).**
- **AS 42.05.511 allows the Commission to investigate management practices, "including but not limited to staffing patterns, wage and salary scales and agreements, investment policies and practices, purchasing and payment arrangements with affiliated interests that are inefficient or unreasonable and that adversely affect the cost of quality of service of the public utility."**



Calculating the Revenue Requirement for Rates

Simplified Calculation:

- + Operating Expenses (2022 actuals including known/measurable changes in 2023)
- + Depreciation Expense (on non-contributed Plant Used & Useful during 2022)
- + MUSA Expense (calculated on NBV of Plant on 12/31/22)
- + Return on Rate Base Expense (based on capital structure and ROE)

= Annual Revenue Requirement (used to set rates)



Legal Consequences of Failure to Uphold AWWU's Mission Resulting from Imposing Budgetary Constraints and Increased Dividend Expenses

State of AK RCA Tariff and ADEC:

Fines and penalties add up quickly and are not limited to the MOA but also **include personal liability against the officers, managers, agents or employees who aid or abet the violation.**

- 1. AS 42.05.561(a): “A person who violates a provision of AS 42.05.291 insofar as it governs . . . any regulation issued under AS 42.05.291 is subject to a civil penalty of not more than \$1,000 for each violation for each day that the violation persists. However, the civil penalty may not exceed \$200,000 for any related series of violations.” AS 42.05.291 governs standards of service and facilities, and in particular requires that “[e]ach public utility shall furnish and maintain adequate, efficient, and safe service and facilities. This service shall be reasonably continuous and without unreasonable interruption or delay.” The RCA gets to be the arbiter or what is “reasonable.”
- 2. AS 42.05.571(a): “In addition to all other penalties and remedies provided by law, a public utility and every person, and their lessees or receivers appointed by a court in any way subject to the provisions of this chapter, together with their officers, managers, agents, or employees that either violate or procure, aid, or abet the violation of any provision of this chapter, or of any order, regulation, or written requirement of the commission are subject to a maximum penalty of \$100 for each violation. Each act of omission as well as each act of commission shall be considered a violation subject to the penalty.” Like AS 42.05.561, AS 42.05.581 provides that “[e]ach violation of a provision of this chapter or of an order, decision, regulation, or written requirement of the commission is a separate and distinct offense, and in case of a continuing violation each day’s continuance is a separate and distinct offense.”
- 3. AS 46.03.761(a): “The department may assess an administrative penalty against an entity that violates or causes or permits to be violated a provision of AS 46.03.720(b) or a term or condition of a regulation, order, permit, approval, or certificate of the department issued or adopted under AS 46.03.720(b).” AS 46.03.720(b) is the general law governing regulation of public water systems.

US Code of Federal Regulations EPA:

- 1. Under the Clean Water Act, any person whose negligence causes a discharge of pollutants from a point source into waters of the United States is subject to **criminal prosecution and faces a fine of up to \$25,000 per day of violation and imprisonment for one year.** 33 U.S.C. §1319(c)(1).

At least two federal appellate courts have interpreted the degree of negligence that triggers criminal liability as simple negligence, which can amount to no more than a plant manager’s switch of the wrong valve, so the bar for liability is pretty low. **If budget cuts impact the utility’s ability to adequately operate its plant, that could be considered negligence.**

AKOSH and OSHA likely follow similar consequences from a State and Federal regulatory consequence.

PERSONAL AND PROFESSIONAL IMPACT

American Society of Civil Engineers Code of Ethics Fundamental Canon 1:

Engineers shall hold paramount the safety, health and welfare of the public and shall strive to comply with the principles of sustainable development in the performance of their professional duties.



The consequence of failing to meet our mission will be the loss of public confidence in the public health of essential community water and sewer services along with public & media backlash. The Flint, MI disaster started as a cost savings measure.

AWWU Management 2024 Proposed Budget Recommendation for Just, Fair and Equitable Rates, to Meet Essential Community Services & Regulatory Requirements

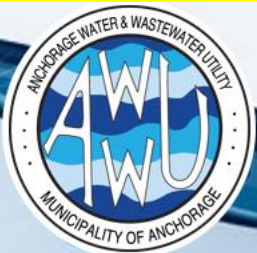
AWWU's Budget was Unanimously Endorsed by the AWWU Board on August 7, 2023; it included a modest \$1.0 M Water Dividend – AWWU negotiated in good faith with the Administration to increase the Dividend to \$1.5M and limit the proposed rate increase to 3%. The LOTT AIM proposal completely undermines that negotiation with a 300+% Dividend Increase and severely threatens the sustainability of AWWU Operations

AWU is at risk of losing nearly 10 Million Gallons per day of water supply as a result of the EPA SDWA PFAS Rule finalized as of April 10, 2024; this makes Eklutna Water Supply more critical; while at the same time Eklutna Water supply is at an increased vulnerability from Bottled Water customer demands and proposed instream flows above Anchorage's Raw Water Main in the Eklutna River

AWU is actively working on our upcoming CIP (capital improvement plans) and LRFP that will see \$10's of millions of dollars of increased capital expenses to find and fund supplemental water sources and treatment options to mitigate and make up for water supply shortages. A \$5.6M dividend will erode AWU's financial metrics and ability to do this necessary work. See next slide regarding CIP and Metrics

AWU will not be able to meet RCA LRFP, Lender Financial Metrics and Bond Covenants with the LOTT AIM Q1 Budget Changes and will set us up for RCA scrutiny and violations of lending covenants

As AWWU GM, I urge you to support AWWU's Q1 Budget Requests submitted by AWWU on March 1, 2024 and reject the LOTT AIM from April 9, 2024; failure to do so puts AWWU down a path of failing to meet its mission critical community water and sewer services for Anchorage



39 WHEREAS, Section 16.01 of the Anchorage Municipal Charter calls for the Utility
 40 "to be operated in accordance with general standards common to utilities providing the
 41 same utility service; and,

Envelope ID: 306ACB04-CB28-4FFB-A1B3-323D4D0C6A38
 AWWU Board Resolution 2023-3
 Recommendation of 2024 AWWU Capital and Operating Budgets
 Page 2

1 WHEREAS, the Municipality has not yet calculated Intra-governmental charges
 2 (IGCs) from General Government to the Utility for 2024 or changes to labor and benefits
 3 for 2024 therefore the IGC and labor portions of the Utility's 2024 budget proposal are
 4 not yet known.

5
 6 NOW, THEREFORE, THE AWWU BOARD OF DIRECTORS RESOLVES:

7
 8 To recommend to Mayor Bronson and Municipal Assembly appropriation of the Capital
 9 and Operating Budgets for Anchorage Water Utility and Anchorage Wastewater Utility
 10 for 2024 as follows:

Anchorage Water Utility	Total Op Expenses Budget	Total Non-Cash Items	Total Op Appropriation *
2024	\$61,266,352	\$10,537,399	\$50,728,953

Anchorage Wastewater Utility	Total Op Expenses Budget	Total Non-Cash Items	Total Op Appropriation *
2024	\$60,963,622	\$10,001,628	\$50,961,994

*Total appropriation excludes non-cash items such as depreciation.

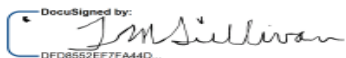
Anchorage Water Utility	Capital Improvement Budget
2024	\$32,522,000

Anchorage Wastewater Utility	Capital Improvement Budget
2024	\$16,175,000

21
 22
 23
 24
 25
 26
 27
 28
 29 Subject to updates of the Operating Budget for 2024 for labor and IGC charges from the
 30 Municipality; and,

31
 32 To recommend a \$1,000,000 dividend payment with the Water Utility's 2024 budget
 33 proposal which will be finalized with First Quarter Budget revisions and a blended 4.5%
 34 rate increase, in consideration of the uncertainties described above and contingent on
 35 acceptance of the AWWU Board of Directors recommended budget amounts and rate
 36 increases.

37
 38 Approved by unanimous vote of the Anchorage Water and Wastewater Utility Board of
 39 Directors.

40 DocuSigned by:
 41 
 42 DFD8552E77FA4D \ 08/09/2023
 43 Timothy M. Sullivan, Sr. Date
 44 Chair, AWWU Board of Directors

AWWU CIP Plans and Financial Metrics

With Increasing Water Utility Regulatory Expenses these financial metrics will be broken if the LOTT AIM Dividend is accepted and AWU's will be unable to provide long term financial sustainability

AWWU Board Resolution 2018-2
Financial Metrics for Long-term Sustainability
Page 2

- 1 NOW, THEREFORE, THE ANCHORAGE WATER AND WASTEWATER UTILITY BOARD OF
2 DIRECTORS RESOLVES:
3
4 To recommend the following policies for long term financial sustainability:
5
 - 6 • Maintain bond ratings of at least "AA" from Fitch Ratings and/or S&P Global.
 - 7 • Review rates on an annual basis and adjust as necessary to ensure that revenue levels adequately fund AWU's and ASU's financial, capital and operational goals, objectives, and requirements.
 - 8 • Manage the Anchorage Water Utility to achieve a target capital structure of 67% debt and 33% equity over the planning horizon,
 - 9 • Manage the Anchorage Wastewater Utility to achieve a target capital structure of 67% debt and 33% equity over the planning horizon,
 - 10 • Maintain a minimum of 180 days of operating cash.
 - 11 • Target a total debt service coverage of 1.3x or greater per utility over the planning horizon. Maintain a minimum total debt service coverage of 1.15x, or as necessary to satisfy bond covenants.
 - 12 • Target a level at or above 30% for equity funding for the capital programs of AWU and ASU to mitigate AWWU's reliance on debt.
 - 13 • Maintain debt service as a percentage of revenue at or below 35% of gross operating revenues to ensure sufficiency of revenues above debt requirements.
 - 14 • Strengthen the debt profile of both AWU and ASU by gradually reducing debt per customer account over the planning horizon.

23 Approved by a majority vote of the Anchorage Water and Wastewater Utility Board of
24 Directors.

25
26
27
28
29 Aaron D. Dotson Date
30 Chair, AWWU Board of Directors

Fitch Rating Agency 2017 Water Report –

Both senior and all-in DSC (including the MUSA payment) are forecast to decline with the issuance of additional debt. The utility's financial forecast shows all-in DSC (including the MUSA payment) dipping as low as 1.3x as debt service rises with additional borrowing. Fitch expects the utility to beat the conservative forecast, which assumes very slow increases in connections and no connection fee revenues. The utility has historically outperformed its forecasts. Fitch believes the utility can sustain narrower coverage than most utilities at the current rating level because it has very stable revenues (residential water users are charged a flat rate), a solid reserve position and a strong history of raising rates as necessary to maintain adequate financial performance. However, the rating could come under downward pressure if all-in DSC (including the MUSA payment) drops to the 1.3x level on a sustained basis.

RE: Well data

Corsentino, Mark A.
To Persinger, David A.; Schimscheimer, Mark A.; Carroll, Todd L.
Cc Axmann, Jeff D.; Broyles Jr, Jack O.; Baus, Brian D.; West, Casie M.; McLaughlin, Michael S; +6 others
03/22/2024

Follow up. Start by Wednesday, March 27, 2024. Due by Wednesday, March 27, 2024.
This message is part of a tracked conversation. Click here to find all related messages or to open the original flagged message.

Wow, that's pretty eye opening.

Per our conversations earlier this week because of
(1) PFAS results from 2023 and
(2) the 2023 Fish and Wildlife Proposals to rehydrate the Eklutna River on top of our raw water main,

AWWU needs to get a project created for "Supplemental Water Supply and Storage" and start putting this in our planning docs (WMP, CIB, CIP, EMP, LRF, VA's, Strat Plan, etc)
This new project will include evaluations for:
-new wells,
-storage reservoirs and
-treatment evaluations of existing wells that are inactive b/c of PFAS or some other contaminant

A critical part of this project will be quantifying & identifying goals/needs for new supply and storage based on the above new constraints we were put into beginning in 2023.
The potential cost impact of these new projects may put us in a position to be dividend restricted in the future for AWU and impact rates notably, hence why this critical first step to quantify/identify the needs/goals will be necessary.
Thanks again for sharing this sobering information.

From: Polowy, Joseph S. <Joseph.Polowy@awwu.biz>
Sent: Friday, March 22, 2024 1:43 PM
To: Persinger, David A. <David.Persinger@awwu.biz>
Cc: Axmann, Jeff D. <Jeff.Axmann@awwu.biz>
Subject: Well data

David-
Here is the current data available for water production from the wells. Additionally, Ship Creek can only produce 10 MGD from November 1 to May 15, which means without Eklutna, during the winter/spring months we can barely meet demand if all facilities are operational. Please let me know if you need any other information.
Best
-JP
Well#4 :1620 GPM /2.33 MGD Active
Well#10: 2237 GPM /2.46 MGD Active
Well#11: 1244 GPM /1.79 MGD Active
Well#12: 2353 GPM /3.38 MGD Active
Well#25: 567 GPM /0.81 MGD Active
Well#29: 854 GPM /1.22 MGD Active
Approximately **11.99 MGD** currently available for production

Well#7: 2858 GPM /4.11 MGD In Active
Well#9: 1710 GPM /2.33 MGD In Active
Well#13: 1375 GPM /1.98 MGD In Active
Well#31: Approximately 600 GPM /0.86 MGD, has not ran to system in many years. In Active
Approximately 9.28 MGD no longer available for production.

Joe Polowy
Ship Creek Water Treatment Facility & Distribution Operations Superintendent
Anchorage Water & Wastewater Utility
Direct: 907-338-3870 or 907-261-5701
Cell or text 907-841-7298
Joseph.polowy@awwu.biz

RE: 2025- 2030 CIP Call for Projects

Corsentino, Mark A.
To Schimscheimer, Mark A.; Axmann, Jeff D.; Persinger, David A.; Baus, Brian D.
Cc Annandale, Jacques; Polowy, Joseph S.; Stitzel, Brad M.; Carroll, Todd L.; Broyles Jr, Jack O.
Wed 03/27/2024 9:41 AM

This message was sent with High importance.
This message is part of a tracked conversation. Click here to find all related messages or to open the original flagged message.

RE: Well data
Outlook item

In alignment with the call for projects, please make sure that the Project(s) identified in the attached email get incorporated. Thank you

Mark A. Corsentino, P.E.
General Manager
Anchorage Water & Wastewater Utility
Direct: 907-786-5511
Cell: 907-917-6551
Mark.Corsentino@awwu.biz

AWWU is investing to ensure reliable service, safeguard public health, and protect the environment, long into the future.

From: Annandale, Jacques <Jacques.Annandale@awwu.biz>
Sent: Tuesday, March 26, 2024 11:37 AM
To: AWWU <wwall@awwu.biz>
Subject: 2025- 2030 CIP Call for Projects

AWWU:
The Capital Improvement Plan is created every year to solve problems for work groups in the Utility. To get a problem solved, we follow a procedure to make sure the Utility has the necessary information and documentation for several municipal and state stakeholders. The first step of the process is to create a new Business Case Evaluation (BCE) for new/ongoing problem or update a previous BCE of ongoing capital projects. BCEs can be created or updated anytime during the year and that information will be incorporated in the creation of the next CIP.

To be considered for the next CIP (2025-2030), BCEs need to be completed by April 26, 2024. Below are the steps you would need to follow to complete a BCE (depending on status of your problem or project). Please look at the BCE Guidance Document for additional information on the BCE form.

In addition, we have implemented a Capital Projects Web Map (kudos to the creator: Andrew Block!) to quickly review key BCE information and map extents located here: Capital Project Map Directory. Use your AWWU computer log-in credentials with your username wwwyou@EAWWU and your normal password. If you have are having any technical issues, please contact me.



AWWU Management 2024 Proposed Budget Recommendation for Just, Fair and Equitable Rates, AMC 26.10 History

-Both prior versions of AMC 26.10.025D and 26.10.065A would have calculated a much lower MAX dividend based on approx. \$68M of 2023 gross income (\$850k and \$3.4M respectively) versus the LOTT AIM proposal of \$5.6M

-More importantly as noted in the 2017/2018 RCA Testimony, the 33% dividend level was for ILLUSTRATIVE PURPOSES ONLY, THE UTILITY WILL EVALUATE ITS FINANCIAL STANDING ON AN ANNUAL BASIS AND PROPOSE A DIVIDEND

-AWWU HAS DONE THAT AND PROPOSED A \$1.5M DIVIDEND IN GOOD FAITH NEGOTIATIONS WITH THE ADMINISTRATION

-Providing a 33% distribution from prior year net income has detrimental financial consequences as shown in the preliminary LRFP version with the LOTT AIM dividend and new SDWA PFAS constraints and Eklutna Lake Water Supply risks

-This dividend amounts to a regressive tax on lower income Utility ratepayers to offset property taxes for non-Utility ratepayers that generally have higher incomes (final slide)

Anchorage Water Utility Long Range Financial Plan Summary 2023 Budget LRFP				
	2024	2025	2026	2027
MUSA: mill rate based	(8,523,319)	(10,400,000)	(11,080,000)	(11,900,000)
Net Income (Loss)	15,533,650	11,222,000	11,442,000	11,352,000
Less Dividend Paid	(5,600,000)	(3,278,000)	(2,622,000)	(2,911,000)
Change in Equity	9,933,650	7,944,000	8,820,000	8,441,000
Capital Program	23,156,855	30,414,616	22,838,913	20,954,004
New Debt Issued	15,000,000	21,500,000	20,000,000	20,000,000
Rate Increase	3.00%	3.50%	3.50%	3.50%
Residential Rate	61.23	63.38	65.59	67.89
Actual Debt/Equity Ratio:				
Debt	47%	47%	46%	45%
Equity	53%	53%	54%	55%
Dividend to MOA	5,600,000	3,278,000	2,622,000	2,911,000
Operating Margin	37%	34%	34%	34%
Operating Margin - with MUSA	49%	48%	48%	49%
Revenue Bond Debt Svc Coverage	3.05	2.81	2.80	2.85
Total Debt Svc Coverage	1.36	1.20	1.17	1.14
Debt Svc as a Percentage of Revenue	33%	34%	34%	34%
Debt to Asset Value	38%	37%	37%	36%
% of CIP Funded through Equity	37%	88%	19%	8%
Days Cash on Hand	249	188	183	185
Debt Per Customer	3,771	3,803	3,789	3,754

Importantly, the methodology in the Anchorage Municipal Code (“AMC”) for calculating distribution amounts to the Municipality has recently changed. The previous language of AMC 26.10.065.A stated that “[t]he amount of the Utility Revenue Distribution for the subsequent year may not exceed five percent of the utility’s gross revenues of the prior year.”⁹ Additionally, AMC 26.10.025.D formerly included a 1.25 percent of actual gross operating revenues element in the dividend calculation.¹⁰ However, in Municipal Assembly Ordinance AO No. 2017-97, the Assembly revised the method for calculating revenue distributions to the Municipality by its municipally-owned utilities and removed AMC 26.10.025.D in its entirety.¹¹ The revised

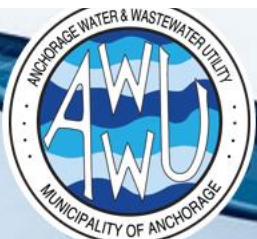
Anchorage Water Utility
U-17-095 Petition to Remove the Restriction on AWU Paying Dividends
Affidavit of J. Brett Jokela, P.E., AWWU General Manager (Exhibit A)
Pages 2-3

13. As noted in AWU’s current EMP, AWU is not proposing a particular level of revenue distribution for AWU at this time. The LRFP uses a distribution level of

Affidavit of J. Brett Jokela, P.E.
Page 4 of 7

Exhibit A
Page 4 of 7

33% for illustrative purposes only. In accordance with AMC 26.10.060 and AMC 26.10.065, the Utility will evaluate its financial standing on annual basis and propose a level of revenue distribution.



AWU has been increasing Dividend Payments over time since it has been lifted

Water Utility Dividend Payments are approaching an average of 10% earnings allocation

10% is the RCA regulated return on equity (ROE)

A Dividend exceeding 10% of a prior year earnings can erode AWU's equity and ability to remain financially solvent in an era where water as a precious commodity is growing with ongoing pollution threats and water resource competing interests...all of which necessitate and need for ongoing investment in water when investment costs continue to escalate

AWWU's expenses have been lower than anticipated over the last few years because of severely high vacancies and our throughput of work has suffered and our service levels have dropped.

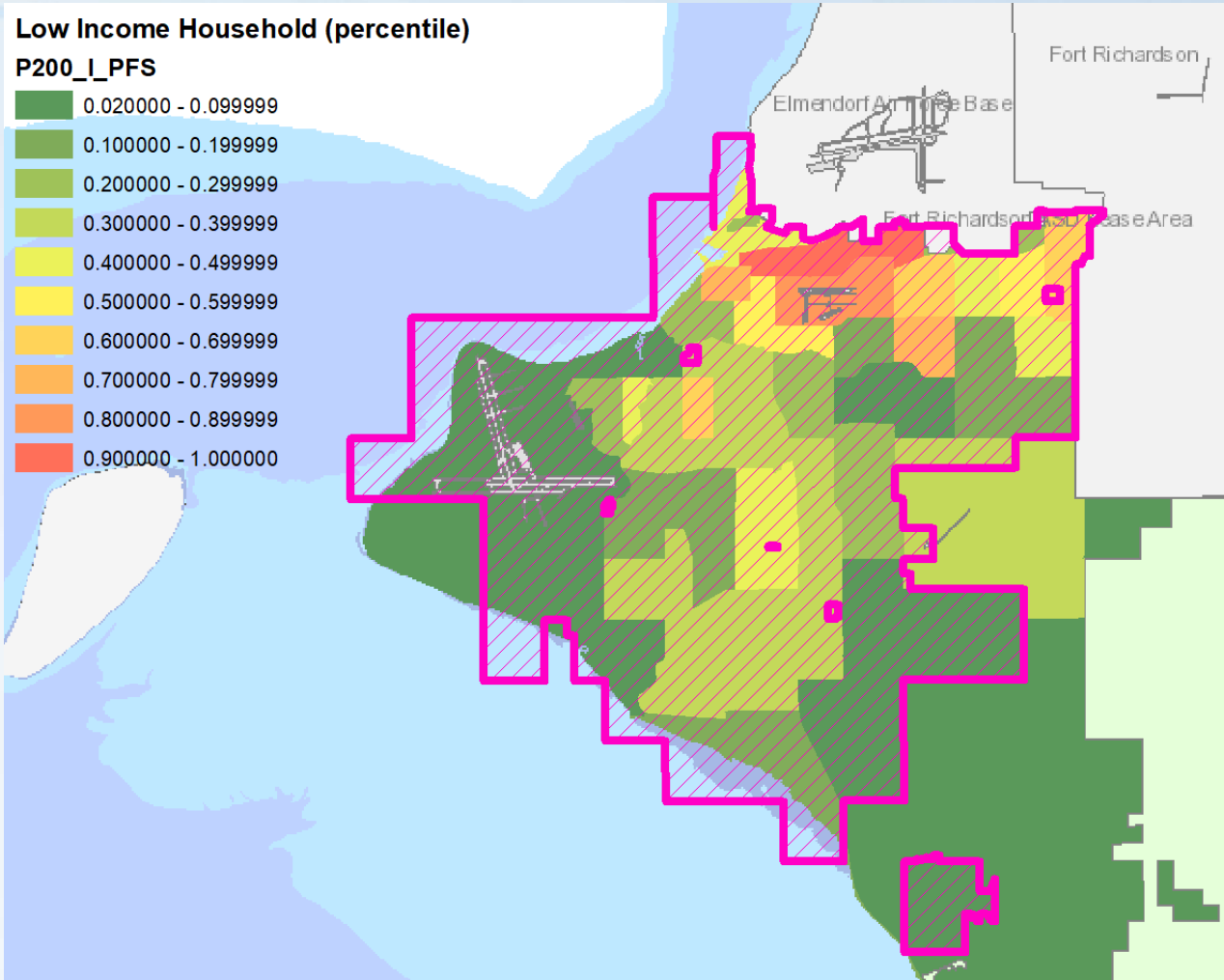
The consequence of lower expenses has been higher net income/earnings. This increase in net income goes directly back to the ratepayers to keep their Utility operating, except what goes to a dividend.

AWWU budgets and plans for a full workforce, we refuse to give up on our staff that are overworked and burnt out. We continue to advertise and recruit and make PD and classification changes with HR to improve our budget to actual performance. But taking a larger dividend hurts our customers the most as it's a sign we are not reinvesting in their Utility,

	2020	2021*	2022	2023	AWU '2024	OMB '2024	
Paid	1,630,000	-	300,000	1,500,000	1,500,000	5,600,000	
Change in Equity - PY	17,297,811	11,908,300	14,097,470	16,832,960	15,000,000	15,000,000	**
% of Change in Equity	9.42%	0.00%	2.13%	8.91%	10.00%	37.33%	***
Five year avg					6.09%	11.56%	
Avg excluding COVID year					7.62%	14.45%	
*No Dividend - COVID revenue decline							
** Estimated 2023 totals							
*** AWU's accepted ROE is 10.0%							



This dividend amounts to a regressive tax on lower income Utility ratepayers to offset property taxes for non-Utility ratepayers that generally have higher incomes



- Anchorage is home to several disadvantaged and low income communities, all of which are within AWWU’s service area.
- A \$5.6 million dividend costs \$100 per AWWU water customer, annually
 - AWWU’s monthly water bill for a single family residence is \$62.04. 13% of every bill (or 1.6 months of service), would go toward the dividend.
 - The dividend will reduce investment in infrastructure in disadvantaged communities and effectively provide a tax break to the more affluent communities in Anchorage.
- For more information on disadvantaged communities in Anchorage, see
 - <https://screeningtool.geoplatform.gov/en/#9.06/61.217/-149.8868>
 - <https://ejscreen.epa.gov/mapper/index.html?wherestr=99501>

