

Anchorage Municipal Code (AMC)

26.80.060

26.80.065

26.80.060 - Closure and post-closure care liability.

- A. Title 40, C.F.R., Parts 257 and 258 of the United States Environmental Protection Agency rules and generally accepted accounting principles require landfill operators to accumulate funds for the liability related to the final closure of a landfill, and to maintain and monitor the landfill for 30 years after closure.
- B. The solid waste disposal utility shall operate to ensure sufficient revenues and equity to fund the full cost of operating the Anchorage Regional Landfill (the "ARL"), including the closure and post-closure liability accrual, adjusted for inflation.
 - 1. Each user of the ARL shall pay a share of the required closure and post-closure care liability through tipping fees paid during the operational life of the ARL.
 - 2. The solid waste disposal utility shall budget a non-cash amount equal to the estimated change in the amount of closure and post-closure care liability based upon the calculated capacity utilized annually.
 - 3. The solid waste disposal utility shall set aside annual deposit amounts specified in AMC 26.80.065.E.2.
- C. Money deposited in the closure and post-closure restricted cash and investment account and earnings thereon shall be restricted solely to pay for the ARL closure and post-closure care, or projects related to closure activities, as required by Federal and State landfill regulations.
- D. Withdrawal from the account for purposes other than directly related to ARL closure and post-closure care activities shall require Assembly approval.

(AO No. 2008-46, § 1, 1-1-08; AO No. 2008-83, § 2, 4-1-09; AO No. 2016-149, § 1, 12-20-16; AO No. 2018-78, § 1, 10-23-18; AO No. 2021-34, § 1, 4-14-21)

26.80.065 - Closure and post-closure care restricted cash and investment account.

- A. *Name.* The name of the closure and post-closure care restricted cash and investment account shall be "ARL Closure & Post-Closure Care Investment Fund" referred to in this section as the "Fund".
- B. *Purpose.*
 - 1. The purpose of the Fund is to accumulate, manage and safeguard monies of the Solid Waste Disposal Utility (the "SWS") used to pay closure and post-closure care costs of the Anchorage Regional Landfill (the "ARL").
 - 2. Use of the assets of the Fund are restricted as provided in AMC subsection 26.80.060C.

C. ARL Closure and Post-Closure Care Investment Fund Board.

1. A board is hereby established for the Fund (the "ARL Board"). The ARL Board shall consist of five members. The ARL Board shall meet at least once each calendar quarter.
2. The mayor shall appoint all ARL Board members, subject to assembly confirmation.
3. The ARL Board members shall serve at the pleasure of the Mayor.
4. ARL Board member appointments shall be for staggered, three-year terms. No more than two terms may expire in the same calendar year. Initial ARL Board appointments shall be one year for one member, two years for two members and three years for two members.
5. The ARL Board members shall include at least one member of the Public Finance & Investments Division staff, at least one member of the SWS staff and at least two non-municipal employees. ARL Board members are not required to reside within the municipality.
6. The ARL Board shall monitor and ensure the timely deposit of monies of SWS into the Fund and manage all investment activities of the Fund.
7. The ARL Board may engage the services of financial advisors, trustees, custodians, money managers, investment advisors and other support personnel deemed necessary for the performance of its duties and responsibilities. Required funding for these services will be from the investment earnings of the Fund.
8. Administrative staff for the support for the ARL Board and for the investment of Fund assets shall be provided initially by the Public Finance & Investments Division. The ARL Board may, at its discretion, procure additional or other support personnel it deems necessary for prudent administration of Fund activities.
9. The ARL Board shall submit an annual report to the Assembly each calendar year not later than June 30. At a minimum, the report will contain the results of the prior fiscal year operations, investment returns, and the status of the Fund's balance relative to the closure and post-closure care liability. The report should also indicate any significant changes in the SWS contribution rates and/or changes in the ARL Board managed investment strategy.
10. The ARL Board shall have a cost estimate of the closure and post-closure care liability as of the end of the prior fiscal year performed by an independent analyst or company at least every ten years beginning in 2020.

D. Responsibility.

1. The ARL Board shall be responsible for the investment of assets of the Fund to meet its purpose.
2. The Fund shall pay an investment management fee to the Public Finance & Investments Division that is consistent with the investment management fee paid by other funds of the Municipality for as long as the Fund exists.

E. *Investment Objective.*

1. The investment objective of the Fund is to achieve a long-term rate of return on assets in the Fund which, in conjunction with annual deposits of customer funds by SWS, will be sufficient to satisfy the closure and post-closure care liability of the ARL.
2. Future deposits by SWS into the Fund shall occur annually, no later than June 30 of each calendar year. Deposit amounts shall be determined prospectively for five-year planning periods. They shall be based on estimates produced by SWS using its long-term financial forecasting model and be subject to review by the ARL Board. Annual deposit amounts for the initial five-year period will be effective January 1, 2021 and will updated each five years thereafter.
3. The ARL Board shall develop and adopt written investment policies addressing such areas as they deem prudent to accomplish the purpose of the Fund.

F. *Procurement Policy.* For purposes of AMC subsections 26.80.065C.7 and 26.80.065C.8 the ARL Board is not subject to AMC Title 7 Purchasing and Contracts and Professional Services.

(AO No. 2016-149, § 2, 12-20-16; Ord. No. 2021-34, § 2, 4-14-21)