

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ENDORSING A SEPTAGE TREATMENT FACILITY FEASIBILITY STUDY TO INCLUDE EVALUATION OF THE CITY OF PALMER'S WASTEWATER TREATMENT PLANT FOR SEPTAGE DISPOSAL, SUSPENDING APPLICATION FOR CONSTRUCTION FUNDING OF A SEPTAGE TREATMENT FACILITY UNTIL THE FEASIBILITY STUDY IS COMPLETE AND THE ASSEMBLY DECIDES TO PROCEED.

AGENDA OF: MARCH 16, 2021

Assembly Action:

Adopted without objection. KBJ 3.16.21

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:

WB

Route To:	Department/Individual	Initials	Remarks
	Originator - Campfield, M.	Mike Campfield	Digitally signed by Mike Campfield Date: 2021.03.04 08:53:37 -09'00'
	PW PD&E Division Manager	Debbie Bakic	Digitally signed by Debbie Bakic Date: 2021.03.04 09:14:05 -09'00'
	PW SW Division Manager	<i>Jeff Smith</i>	Digitally signed by Jeff Smith Date: 2021.03.04 10:32:10 -09'00'
	PW O&M Division Manager	James D Jensen	Digitally signed by James D Jensen Date: 2021.03.04 10:55:06 -09'00'
	Public Works Director	Terry Dolan	Digitally signed by Terry Dolan Date: 2021.03.04 10:59:01 -09'00'
	Finance Director	<i>cy</i>	
	Borough Attorney	<i>SM for NS 3/4/21</i>	
	Borough Clerk	<i>KBJ for MB 03.08.21</i>	

ATTACHMENT (S): Fiscal Note: YES _____ NO x

Resolution Serial No. 21-019 (3 pp)

Action Memorandum Serial No. 20-125 (4 pp)

WSAB Resolution Serial No. 21-01 (3 pp)

Letter from AWWU dated 09-17-2015 (2 pp)

Letter from AWWU dated 02-04-2021 (2 pp)

Water & Septage Advisory Board Resolution no. 21-01 (3pp)

SUMMARY STATEMENT: This resolution is brought forward by the Borough Manager to endorse suspending application for construction funding for a septage facility until the feasibility of using the City of Palmer's wastewater treatment plant has been fully evaluated and coordination and agreements are in place, as needed.

Septage disposal rates are expected to rise due to increases in the Anchorage Water & Wastewater Utility's (AWWU) capital and operating expenses thereby affecting septage hauling costs associated with travel between the Borough and Anchorage. In the past AWWU has considered closing the Turpin Street Disposal Station due to maintenance costs, however, they have recently stated that they will continue to receive septage from the Borough at Turpin Street and have no plans for closure. A local Mat-Su facility is being considered to mitigate the transportation impacts and cost increases to Borough residents for septage disposal.

The Borough conducted a site selection process in 2015 to identify the most suitable location for a new septage and leachate treatment facility on Borough-owned land. The Borough's engineering consultants completed site suitability and financial analyses, and recommended the Central Landfill, which the Assembly later approved by resolution. The studies were funded by a grant from the State of Alaska at a cost of roughly \$93,000.

The Borough applied for and received a loan from the State of Alaska Clean Water Revolving Fund for the purpose of designing and constructing a septage and leachate treatment facility. At the time, the plan was to develop a combined treatment facility, however, the Borough later decided to separate the two waste treatment plans into separate projects based on treatment methods and environmental permitting concerns. To date, a portion of the loan funding, approximately \$80,000, has been used for septage studies to conduct a preliminary engineering report (PER) and to develop a solicitation for a public/private partnership (PPP) for septage treatment at the Central Landfill. The PPP solicitation in 2020 did not generate any offers, and the Borough has again turned its attention to funding the project through public financing.

Recently, the City of Palmer (City) has made improvements to its wastewater treatment plant (WWTP) and is following a consent decree from the U.S. Environmental Protection Agency to make further improvements in order to meet environmental regulations. The City's WWTP improvements could be combined with improvements to the City's sewer system to allow it to receive and treat septage generated throughout the Borough. A cooperative approach between the Borough and the City could provide a benefit to both government agencies and minimize capital and operating costs for Borough and City residents. A feasibility study of the potential improvements to the City's WWTP would provide the Borough Manager and Assembly detailed information such as projected capital and operating costs, disposal station location, and potential impacts to both communities.

Any cooperative agency effort will require negotiations and agreements between government bodies that have not yet formally begun; however, the City Manager has expressed a willingness to allow the study of the City's facilities to proceed, and to present the findings of the completed report to the Palmer City Council for consideration. If the conditions appear favorable to both the City and Borough staff, the Borough Public Works Department would brief the Assembly and request direction and approval of agreements and funding prior to proceeding with construction of any improvements. In the meantime, all plans for construction of a septage facility at the Central Landfill will be suspended to allow for the study to be completed and the Assembly to make an informed decision.

Recommendation of Administration: The Public Works Department recommends the Assembly endorse a septage treatment facility feasibility study to include evaluation of the City of Palmer's wastewater treatment plant for septage disposal, suspending application for construction funding of a septage treatment facility at the Central Landfill until the feasibility study is complete and the Assembly decides to proceed.

SUBJECT: IN SUPPORT OF AND AUTHORIZING THE BOROUGH MANAGER TO APPLY FOR A GRANT AND LOAN THROUGH THE USDA RURAL DEVELOPMENT PROGRAM FOR THE PROPOSED SEPTAGE TREATMENT FACILITY, FUND 420, PROJECT NO. 25054.

AGENDA OF: November 17, 2020

ASSEMBLY ACTION:

Approved under the Consent agenda 11-17-20
Reconsideration filed 11-17-20. Reconsideration
withdrawn 12-1-20 (BOM)

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator, Mike Campfield	<i>[Signature]</i> 11/3/2020	
	Capital Projects Director	BJS 11/3/2020	
	Public Works Director	Terry Dolan	Digitally signed by Terry Dolan Date: 2020.11.04 07:56:06 +0900
	Purchasing Officer	<i>[Signature]</i>	11/04/2020
	Finance Director	<i>[Signature]</i>	
	Borough Attorney	NS	Term only
	Borough Clerk	BGA for LRM 11-9-20	

ATTACHMENT(S): Fiscal Note: Yes _____ No X

SUMMARY STATEMENT: In 2011 the Matanuska-Susitna Borough (Borough) Assembly adopted Resolution Serial No. 11-087 establishing the Wastewater and Septage Advisory Board (WSAB) for the purpose of advising the Assembly on issues relating to wastewater and septage issues within the Borough.

In February 2012 the WSAB passed Resolution No. 12-01 in support of acquiring land for the construction of a regional wastewater and septage treatment facility which the Assembly provided funding for in August 2014 through Resolution 14-084.

1M 21-045
RS 21-019

In May 2012 the WSAB passed Resolution 12-02 in support of conducting a site feasibility study for a regional wastewater and septage treatment facility which the Assembly approved in July 2012 through Resolution Serial No. 12-083.

In October 2014 the WSAB recommended the Borough Assembly authorize a loan application to the State of Alaska, Department of Environmental Conservation, Alaska Clean Water Fund which the Assembly authorized through Resolution Serial No. 14-110 in the amount of \$22,000,000 for design and construction of a septage and leachate treatment and disposal facility.

In April 2015 the WSAB recommended the Borough Assembly designate the landfill as the preferred site for the septage and leachate facility through Resolution No. 15-02, which the Assembly approved through Resolution Serial No. 15-060.

In August 2017 the Borough received the first loan of the Alaska Clean Water Fund in the amount of \$5,000,000 for preconstruction expenditures (e.g., planning, design and related tasks) for the leachate and septage treatment facility.

In January 2018 Clark Engineering completed a Preliminary Engineering Report (PER) evaluating septage and leachate treatment alternatives, as well as the potential for waste-to-energy technology in conjunction with solid waste disposal.

In 2018, the Assembly adopted Resolution Serial No. 18-042 endorsing treating leachate separately from septage and exploration of a public/private partnership for septage treatment using a waste-to-energy method in conjunction with solid waste disposal.

In February 2020, the Borough solicited for a public-private partnership to treat septage, and received no proposals in response.

Currently all septage generated in the Borough is hauled to Anchorage for disposal at the Turpin Street station.

Through the application process, the USDA Rural Development Program will help support the Boroughs continuing efforts to find the best long-term, cost-effective means to treat septage generated in the Borough.

The USDA can provide a grant for 30 percent of the total project cost and a loan for the remaining 70 percent. Currently, MSB has an ADEC loan for 100 percent, so by changing funding sources we can borrow less to complete the project.

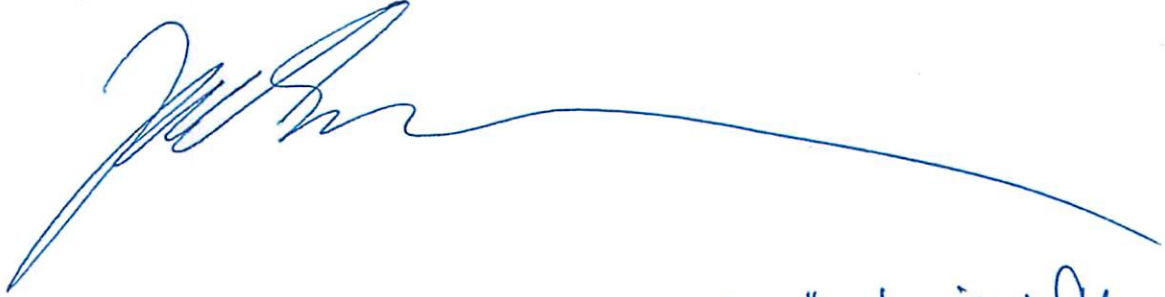
1M 21-045
RS 21-019

RECOMMENDATION OF ADMINISTRATION: In support of and authorizing the Borough Manager to apply for a grant and loan through the USDA Rural Development Program for the proposed Septage Treatment Facility, Fund 420, Project No. 25054.

*1m 21-045
RS 21-019*

I move FOR RECONSIDERATION ON
AM 20-125

Jesse Sumner

A handwritten signature in blue ink, appearing to be 'Jesse Sumner', with a long, sweeping horizontal line extending to the right.

Beleive it is inappropriate to build the
Septage facility.

IM 21-045
RS 21-019

**MATANUSKA-SUSITNA BOROUGH
WASTEWATER AND SEPTAGE ADVISORY BOARD
RESOLUTION SERIAL NO. 21-01**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH WASTEWATER AND SEPTAGE ADVISORY BOARD (WSAB) RECOMMENDING THE COMPLETION OF A PRELIMINARY ENGINEERING REPORT FOR APPLICATION TO THE USDA RURAL DEVELOPMENT GRANT LOAN PROGRAM.

WHEREAS, in 2011 the Borough Assembly adopted resolution 11-087 establishing the Wastewater and Septage Advisory Board (WSAB), for the purpose of advising the Assembly on issues relating to wastewater and septage issues within the borough; and

WHEREAS, in May 2012 the Matanuska-Susitna Borough WSAB passed Resolution 12-02 in support of conducting a site feasibility study for a regional wastewater and septage treatment facility which the Assembly approved in July 2012 through Resolution 12-083; and

WHEREAS, in October 2014, the WSAB recommended the Borough Assembly authorize a loan application to the State of Alaska, Department of Environmental Conservation, Alaska Clean Water Fund, which the Assembly authorized through Resolution 14-110 in the amount of \$22,000,000 for design and construction of a septage and leachate treatment and disposal facility; and

WHEREAS, in 2015 the WSAB recommended the Borough Assembly designate the central landfill as the site for a new septage and leachate treatment facility, following a site selection process, which the Assembly approved through Resolution 15-060.

WHEREAS, in August 2017, the Matanuska-Susitna Borough received the first loan of the Alaska Clean Water Fund in the amount of \$5,000,000 for preconstruction expenditures (e.g., planning, design and related tasks); and

WHEREAS, in 2017, Clark Engineering performed a Preliminary Engineering Report (PER) for septage treatment at the landfill site; and,

WHEREAS, the Borough WSAB recommended and the Assembly decided, through resolution 18-042, not to move forward with the Clark Engineering proposed septage treatment system and instead explore

the possibility of a public-private partnership; and

WHEREAS, the Borough did not receive any response to a public-private solicitation advertised in 2020; and

WHEREAS, use of the USDA Rural Development grant and loan program would require less capital investment by the Borough than using the DEC clean water revolving fund, which provides only loan money; and

WHEREAS, application to the USDA program requires completion of a PER evaluating multiple alternatives for septage treatment; and

WHEREAS, the City of Palmer is open to the possibility of receiving privately hauled septage at its wastewater treatment facility, which requires additional engineering analysis to determine the feasibility and costs, and;

WHEREAS, another option would be to continue the current practice of hauling wastewater to Anchorage; and

WHEREAS, an updated PER would provide a detailed analysis of three alternatives for consideration by the Borough to make an informed decision before moving forward with any septage projects;

NOW, THEREFORE, BE IT RESOLVED that the Matanuska-Susitna Borough Wastewater and Septage Advisory Board respectfully requests that the Matanuska-Susitna Borough Assembly approve the completion of a preliminary engineering report for application to the USDA Rural Development program.

ADOPTED by the Matanuska-Susitna Borough Wastewater and Septage Advisory Board this 11th day of February, 2021.


Mr. Michael J. Campfield, P.E., Chair

ATTEST:


Gina Jorgensen, Board Secretary



Mayor
Ethan Berkowitz

Anchorage Water & Wastewater Utility

General Manager's Office



Board Chair
David M. Richards

September 17, 2015

Matanuska-Susitna Borough
350 E. Dahlia Avenue
Palmer, AK 99645

Attention: John Moosey, Borough Manager
Subject: Liquid wastes from sources outside the AWWU Service Area

Dear Mr. Moosey:

To follow your conversation last month with Mayor Berkowitz and the inquiry received from Butch Shapiro on September 2, 2015, I would like to elaborate and confirm the Utility's position on receipt of wastes hauled by tanker from outside our service area.

As you are aware, we operate two liquid waste receiving stations. One station is at our King Street Maintenance Facility, the other is at the southwest corner of the Glenn Highway and Turpin Road. Over half of the liquid waste we receive at the Turpin station is derived from customers with Mat-Su Borough addresses, amounting to over 12.4 million gallons of septage from maintenance of on-site wastewater disposal septic tanks and over 1.4 million gallons of leachate from the Mat-Su Borough's Central landfill in calendar year 2014.

Septage and leachate waste streams are mixed with other wastewaters in the Anchorage Bowl collection system. The combined wastewater is treated and discharged into Cook Inlet in accordance with a NPDES discharge permit administered by the U.S. Environmental Protection Agency. It is of paramount importance to the Municipality that the conditions of the permit are strictly followed, including monitoring and control of influent wastewaters.

Over the past dozen years, the Utility has increased its level of effort in monitoring and control of hauled liquid discharges at the Turpin and King Street stations. This has entailed investments in access control, site improvements to facilitate response to spills, and tools for tracking customer use for billing purposes. In 2008, the Regulatory Commission of Alaska considered our Cost of Service Analysis recommending a significant increase in charges to customers hauling liquid wastes. Following an extensive public participation process, the RCA granted us rates to recover only a portion of the costs attributable to liquid waste hauling. As a result, the Utility's fixed customer base is subsidizing a portion of the costs associated with processing hauled liquid wastes.

Anchorage Water & Wastewater Utility



Clearly

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We are planning on further capital improvements to more efficiently and securely handle liquid waste discharges. It will not be cost-effective for AWWU to make improvements to two independent receiving stations for hauled liquid waste. This is particularly true as a significant portion of our inflow will be diverted to local wastewater treatment and disposal system in the Mat-Su.

Our plan for moving forward therefore features several actions:

- Endorse Mat-Su Borough plans for local treatment and disposal of septage and leachate "at home" in the Valley.
- Undertake a new Cost of Service Analysis and apply to the RCA for full cost recovery for management of hauled liquid wastes from the customers benefitting from that service. The rate increase could be significant.
- Implement a permitting system to further identify and control sources of hauled liquids discharged at our facilities.
- Devote improvements of our infrastructure and operating procedures to our King Street facility.
- At such time that a treatment system in the Mat-Su is operational, prohibit further receipt of septage and leachate discharges from the Mat-Su.
- When the Mat-Su facility is operational, direct all hauled liquid wastes to our King Street facility.

We recognize that these changes will take time and money. It is not our intent to stop accepting imported liquid wastes from existing customers at any time certain.

With respect to interim acceptance of landfill leachate, we appreciate your attempts to find solutions to the issue of permit exceedance for heavy metals, including zinc. As noted above, we plan to continue to accept leachate hauled to our facilities from the Mat-Su when compliant with permit requirements. At the point you have the capability to manage that waste stream without our assistance, we will review the need to offer that service.

Sincerely,



J. Brett Jokela, P.E.
General Manager, AWWU

cc: Mike Abbott, Municipal Manager
ADEC NPDES Program Manager
ADEC Construction Grants Program Manager





Acting Mayor
Austin Quinn-Davidson

Anchorage Water & Wastewater Utility

General Manager's Office



Board Chair
Aaron D. Dotson

February 4, 2021

Terry Dolan
Director of Public Works
Matanuska-Susitna Borough
350 E. Dahlia Avenue
Palmer, Alaska 99645

RE: Matanuska-Susitna Borough (MSB) Hauler Septage and Leachate

Dear Mr. Dolan,

Thank you for providing a brief summary of the meeting of AWWU and MSB staff on Friday, January 15. In response to your letter dated January 25, 2021 and received via hard copy January 28th, we would like to clarify the Anchorage Water & Wastewater Utility's (AWWU) position regarding the topics discussed.

AWWU is committed to receiving and treating domestic septage from the MSB at our existing septage stations for the foreseeable future so long as it does not impact our EPA NPDES permit. AWWU rates for septage are anticipated to increase over time due to costs associated with capital improvements (to be constructed in 2021) and the cost of service (maintenance of the facilities, sewer line cleaning, etc.).

Landfill leachate is a concern to AWWU due to the toxic constituents contained therein. AWWU is working with the Municipality of Anchorage, Solid Waste Services Department to treat and dispose of leachate at the Anchorage Regional Landfill, thus reducing leachate contribution to AWWU. AWWU also supports the MSB efforts to treat and dispose of leachate at the MSB Regional Landfill. AWWU is amenable to working with the MSB to permit disposal and treatment of MSB leachate, for emergency purposes, in the future.

Elimination of leachate hauled to the AWWU septage receiving stations will reduce the volume discharged to AWWU's system. This will cause an increase in rates due to the cost of capital improvements and cost of service being spread amongst a smaller group of customers.

We are looking forward to continued coordination between our entities as MSB pursues its own local leachate treatment facility to meet 100 percent of its customer needs.

Anchorage Water & Wastewater Utility



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Sincerely,



Mark A. Corsentino, P.E.
General Manager

CC: Anna Henderson, Municipal Manager, Municipality of Anchorage
Brad Sworts, Pre-Design & Engineering Division Manager, MSB
Mike Campfield, P.E., Environmental Engineer, MSB
David A. Persinger, P.E., Director, Operations & Maintenance, AWWU

