Eaglexit's General Assets and Liabilities Questions

In preparing for this consultation with the MOA, Eaglexit's petition must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of the MOA. The plan must be prepared in consultation with the officials of the MOA. The plan must specifically address procedures that ensure that the transfer and integration occur without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities, within two years of the proposed change, per 3 AAC 110.900.

With this in mind, the detachment of Assembly District 2 from the MOA involves complex financial considerations. To minimize the impact on bond ratings, assets and liabilities, various steps and precautions can be taken. Here's a general outline of key considerations:

Debt and Liabilities:

1. **Assessment of Existing Debt:**
    - Conduct a comprehensive assessment of the existing bonded indebtedness of the MOA.
    - Identify the specific projects and purposes for which the bonds were issued.

2. **Negotiation and Agreement:**
    - Engage in negotiations with relevant parties, including the county, to reach a mutual agreement on the terms of detachment.
    - Clearly define the responsibilities for the existing debt and establish a plan for its resolution.

3. **Allocation of Debt:**
    - Develop a clear plan for allocating the existing bonded debt between the MOA and the detaching Assembly District 2 (AD2).
    - Determine a fair and equitable method for assigning portions of the debt based on factors such as population, assessed property values, or other relevant metrics.

4. **Financial Impact Analysis:**
    - Conduct a financial impact analysis to assess how the detachment will affect both the MOA and the detaching AD2.
    - Consider potential changes in tax revenues, service obligations, and other financial aspects.

5. **Legal and Regulatory Compliance:**
    - Ensure that the detachment process complies with all relevant state laws and regulations governing municipal boundary changes and bonded indebtedness.
    - Seek legal advice to navigate any legal complexities involved in the detachment process.

6. **Communication with Bondholders:**
    - Communicate transparently with bondholders and provide them with information about the detachment.
    - Assure bondholders that the detachment will not negatively impact the repayment of the existing bonds.

7. **Financial Guarantees or Backing:**
    - Explore the possibility of providing financial guarantees or backing for the existing debt to reassure bondholders.
    - Consider mechanisms such as a financial reserve or a letter of credit to mitigate potential risks.

8. **Rating Agency Communication:**
    - Communicate with credit rating agencies and provide them with information about the detachment process.
    - Clearly articulate the financial plans and mechanisms in place to address existing debt obligations.

9. **Public Engagement:**
    - Engage with the public to communicate the financial implications of the detachment process.
    - Ensure a transparent and logical process for the proposed plan and financial arrangements.

10. **Implementation and Monitoring:**
    - Implement the agreed-upon plan for the allocation of debt.
    - Continuously monitor the financial situation and make adjustments as needed to ensure the smooth resolution of bonded indebtedness.

Assets:

The following are the beginning questions concerning analysis and evaluation of assets.
Can Eaglexit request the data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA INITIAL RESPONSE: ALL RESPONSES IN THIS Q & A ARE DRAFT RESPONSES AND ARE SUBJECT TO APPROVAL BY VOTERS AND/OR THE ASSEMBLY. ALL RESPONSES ARE SUBJECT TO FURTHER EDITS AND / OR CHANGES. FURTHER, NUMBERS SHIFT AND THEREFORE, ANALYSES BECOME STALE QUICKLY. DISCUSSIONS ARE CONCEPTUAL IN NATURE AND ARE NOT BINDING UPON THE MUNICIPALITY, FUTURE ADMINISTRATIONS, NOR MAY ANY RESPONSE BE RELIED UPON BY ANY PARTY.

MOA response: data that is available on-line should be retrieved by Eaglexit in its currently available format. Other data will likely be provided in Word or Excel.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's education services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: Impacts to MOA depend upon the speed in which Eaglexit occurs and the ultimate shifts in budget allocation and resource management. At this time, too many questions remain unanswered to determine how a transition would affect the MOA. Additionally, all education-related questions should be posed directly to the Anchorage School District (the ASD).

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of education services within Chugiak-Eagle River during and after the transition?

MOA Response: Eaglexit should pose all education-related questions directly to the ASD. Only the ASD can answer questions about funding, particularly impacts to school funding following any transition that relate to State (parity) funding laws.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of education services resources and funds?

MOA Response: Eaglexit should pose all education-related questions directly to the ASD.

Financial Assets:

1. Please provide a detailed breakdown of the municipality's cash and cash equivalents, including any restrictions on use.

MOA Response: Please see the MOA's Annual Comprehensive Financial Report (ACFR) for the balance of cash and cash equivalents. Please note that these cash and cash equivalents are co-invested in a cash pool but are attributable to (owned by) particular cash pool investors (example: the ASD, etc.) and very little cash is not therefore, restricted in some capacity. Please also note that cash balances are highly volatile, increasing when property tax payments are collected or a bond sale occurs, and decreasing at other times. Restrictions on use are highly contingent with the cash pool investor's individual circumstance.

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

2. What financial investments does the municipality hold? Please provide information on stocks, bonds, and other securities.

MOA Response: Please see the MOA's ACFR for information on financial investments held by the MOA. Please note that many investments represent contra-equivalent to the cash deposits discussed above. In other words, when cash is received from depositors, it is sometimes invested on behalf of depositor(s). Thus, investments quite often restricted and not available for distribution.

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

3. Are there any outstanding loans or receivables owed to the municipality, and what is the status of collection?

MOA Response: Please see the MOA's ACFR for information on receivables owned by the MOA. Receivables are periodically reviewed for collectability in accordance with internal policies, reserved, and then later written off when collectability levels become too uncertain as spelled out in the policies. The Municipality is likely to soon prepare and implement a separate delinquency / collections policy for library receivables, allowing greater latitude for forgiving delinquencies and avoiding the imposition of late fees and interest for this particular user group (aka, library patrons).

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Real Estate Department information is available at:

https://www.muni.org/Departments/hlb/Pages/default.aspx

Real Property Assets:

4. Please provide a comprehensive list of all real properties owned by the municipality, specifying land, buildings, and other structures.

MOA Response: The Municipality does not have a comprehensive, single list of all real properties owned by the Municipality. However, considerable information can be found on this topic by examining the MOA's ACFR and by reviewing information available at the Municipality's Real Estate website:

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Real Estate Department information is available at:

https://www.muni.org/Departments/hlb/Pages/default.aspx

5. What is the current value of each real property owned by the municipality, and how was this value determined?

MOA Response: The MOA follows generally accepted accounting principles, which does not provide for carrying real property at market value as a real estate investment trust (REIT) does.

6. Are there any leased properties? If so, what are the terms of these leases?

MOA Response: There are many leased properties. To determine the terms of the leases, see the MOA's ACFRs and examine the footnotes on LEASE AGREEMENTS.

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Infrastructure Assets:

7. Please detail the infrastructure assets owned by the municipality, such as roads, bridges, utilities, and public facilities.

MOA Response: Please review the MOA ACFRs posted on the MOA website under the Finance Department that disclose infrastructure assets owned by the municipality in accordance with GAAP. Accounting principles are detailed in NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Capital Assets section. Further information about infrastructure assets can be found by examining audited financial statement of enterprise funds and utilities at their appropriate websites.

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

8. What is the estimated remaining useful life of major infrastructure assets?

MOA Response: Please review the MOA ACFRs and the audited financial statements of the enterprise funds and utilities for this information. For the MOA, estimated remaining useful lives for capital assets being depreciated by comparing gross capital assets being depreciated with accumulated depreciation.

ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Equipment and Vehicles:

9. Please provide an inventory of all equipment, machinery, and vehicles owned by the municipality, including their current value and depreciation status.

MOA Response: Please see the Municipality's "Detail Statements" for information about Fund 601 which manages much of the MOA's fleet ("Equipment Maintenance Fund") and which can be found at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

10. What is the maintenance and replacement schedule for major equipment and vehicles?

MOA Response: There are many maintenance and replacement schedules, depending upon the organizational owner (i.e., utility, enterprise fund, general government fund, etc.) and type of asset.

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Financial Liabilities:

11. Please detail all outstanding debts and loans of the municipality, including amounts, interest rates, and repayment terms.

MOA Response: Please review the MOA ACFRs posted on the MOA website under the Finance Department that disclose the outstanding debts of the Municipality in accordance with the disclosures required under generally accepted accounting principles.

ACFRs can be found at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

12. Are there any outstanding bonds issued by the municipality? If so, what are the terms and obligations?

MOA Response: Yes, there are outstanding bonds issued by the Municipality. Please review the MOA ACFRs posted on the MOA website under the Finance Department that disclose the outstanding debts of the Municipality in accordance with the disclosures required under generally accepted accounting principles (government):

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Employee-Related Liabilities:

13. What are the current liabilities for employee benefits, pensions, and other post-employment benefits?

MOA Response: *Please review the MOA ACFRs posted on the MOA website under the Finance Department that disclose the outstanding debts – both current and long term - of the Municipality in accordance with the disclosures required under generally accepted accounting principles (government). Please note that ACFRs do not record full obligations for employee benefits, pensions, and other post-employment benefits as liabilities. For instance, the MOA retains an* *outstanding PERS liability to the State of Alaska relating to the sale of ML&P to Chugach Electric Association that has not been recorded on its books but requires annual payments to the State of Alaska for the foreseeable future. ACFRs can be found at:*

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

14. Please provide information on any outstanding employee-related legal claims or liabilities.

MOA Response: Please see MOA ACFRs (specifically, footnote disclosures) for disclosures of contingencies and other material legal claims or liabilities, if any. Please note certain employee-related legal claims may be subject to confidentiality provisions:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Contractual and Legal Obligations:

15. Please detail all contractual obligations, including leases, service contracts, and agreements with third parties.

MOA Response: Please see MOA ACFRs (in particular, footnote disclosures) for disclosures of contractual obligations, including leases and some service contracts and agreements with third parties. For additional information please review the MOA website for the Assembly's "Passed Legislation". ACFRs can be found at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

16. Are there any pending legal liabilities or lawsuits against the municipality?

MOA Response: Yes, there are pending legal liabilities and lawsuits against the Municipality. Please see MOA ACFRs (in particular, footnote disclosures), which disclose material contingencies and litigation:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

If additional detail is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Environmental and Regulatory Liabilities:

17. What is the current liability for environmental cleanup or remediation, if applicable?

MOA Response: Please see MOA ACFRs (in particular, ACFR footnotes) for disclosures of liabilities for environmental cleanup or remediation and discussions of the potential for future regulatory orders that may affect future liabilities. Please also review audited financial statements of Municipal-owned enterprise funds and utilities such as Solid Waste Services, for additional information. ACFRs can be found at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Links to the financial statement for the enterprise funds and utilities are included, below.

Grants and Subsidies:

18. Are there any outstanding payments or obligations related to grants or financial assistance received by the municipality?

MOA Response: Yes

Financial Reporting Practices:

19. Can you provide the municipality's audited financial statements for the past five years?

MOA Response: ACFRs for the past five years are posted on-line at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

20. What accounting methods and standards are used for asset and liability valuation?

MOA Response: Accounting methods and standards are disclosed in the ACFRs, usually in NOTE 1. Accounting methods and standards vary, based upon the reporting entity (i.e., component unit, etc.):

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

Anchorage Hydropower Utility

In accordance with the regulations outlined in 3 AAC 110.900, pertaining to municipal transitions, the following questions are framed to address the Anchorage Hydropower Utility within the context of a petition for incorporation, annexation, merger, or consolidation:

1. Can Eaglexit stipulate a specific format for data retrieval, or will the information be provided in a standardized format as mandated by 3 AAC 110.900?

MOA Response: Responses will typically be provided in Word or Excel format. On-line documents are often available in pdf format.

Impact on the Municipality of Anchorage:

2. How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's Anchorage Hydropower Utility services concerning funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: The MOA does not anticipate changes to hydro structure, ownership, or management; the MOA's retained partial ownership of the hydro plant is governed by power purchase agreements (PPAs) entered into with Chugach Electric Association, Inc. (CEA) and Matanuska Electric, Inc. (MEA), and by orders produced from the Regulatory Commission of Alaska (the RCA) which associated terms the RCA very recently declined to reconsider. One PPA calls for a stream of payments; these proceeds have been recorded as a long-term receivable (with a corresponding long-term liability) and are pledged to the MOA Trust Fund as part of the voter-approved 2020 sale of ML&P; halting or otherwise diverting those transfers of (net) proceeds into the MOA Trust Fund would be a violation of Municipal Charter and would violate the terms of the voter approved utility sale.

3. What financial considerations and budgetary implications, as per 3 AAC 110.900, are associated with maintaining the quality and accessibility of Anchorage Hydropower Utility services within the Chugach Regional Borough during and after the transition?

MOA Response: Please see response to Question #2.

4. Are there, or can measures be implemented, aligned with 3 AAC 110.900, to address potential funding gaps or shortfalls arising from the transition, including the equitable distribution of Anchorage Hydropower Utility services resources and funds?

MOA Response: Please see response to Question #2.

Asset Valuation and Ownership:

5. How are the hydropower utility assets, including the Eklutna Hydroelectric Project, currently valued?

MOA Response: The MOA's retained share of the hydro plant is accounted for under generally accepted accounting principles (government). See Detailed Schedules, Anchorage Hydropower Fund, which can be found on the MOA website next to the ACFRs.

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

6. Will there be an asset valuation conducted before the transition, and how will asset ownership be transferred or retained by the Anchorage Hydropower Utility?

MOA Response: No valuation is anticipated; see response to hydro Question #2.

7. Are there any intergovernmental agreements? If so, please provide all copies of agreements and amendments.

MOA Response: If Eaglexit desires to obtain copies of hydro agreements, please submit a Public Records Request and a cost estimate will be provided to Eaglexit. In the request, please define "intergovernmental agreements" to ensure the request is correctly responded to:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Utility Operations and Regulatory Compliance.

8. What are the current operational practices and regulatory compliance measures in place for the Anchorage Hydropower Utility?

MOA Response: The hydro plant is operated by CEA in compliance with federal and state regulatory compliance measures.

9. How will the transition plan ensure the continuation of utility operations, compliance with regulations, and any necessary adjustments to meet new governance requirements?

MOA Response: Please see response to hydro Question #2.

Long-Term Power Purchase Agreements (PPAs):

10. What are the terms and conditions of the existing power purchase agreements (PPAs) with Chugach Electric Association, Inc. (CEA) and Matanuska Electric Association, Inc. (MEA)?

MOA Response: Please review RCA orders (which include relevant PPAs) governing the hydro plant which are available for public viewing at:

https://rca.alaska.gov/RCAWeb/home.aspx

11. How might the transition address the continuation or renegotiation of these PPAs to ensure a seamless provision of hydropower to CEA and MEA?

MOA Response: Please see response to hydro Question #2.

Revenue Generation and Rate Structure:

12. What is the current revenue model and rate structure for hydropower services and contracts with CEA and MEA?

MOA Response: Please review RCA orders (which include relevant PPAs) governing the hydro plant which are available for public viewing at:

https://rca.alaska.gov/RCAWeb/home.aspx

13. What is a logical approach to address revenue generation, rate-setting, and billing under the new governance structure while ensuring the financial sustainability of the Anchorage Hydropower Utility?

MOA Response: Please see response to hydro Question #2.

Debt Obligations and Bond Ratings:

14. Are there existing debts or bonds related to the Eklutna Hydroelectric Project, and how are they currently managed?

MOA Response: Yes. 1) The MOA remits an annual (PERS) payment to the State of Alaska relating to former ML&P employees, and 2) the MOA remits an annual payment to the MOA Trust Fund in accordance with the MOA Charter (please see response to hydro Question #2).

15. How might the transition address these debt obligations and bond covenants, and ensure compliance to maintain credit reputation and bond ratings for the Anchorage Hydropower Utility?

MOA Response: Please see response to hydro Question #2.

Legal Framework and Regulatory Compliance:

16. What legal instruments and regulatory agreements govern the operation and output of the Eklutna Hydroelectric Project?

MOA Response: Some examples include RCA orders that have been issued, the PPA agreements between the parties, and federal and state laws and regulations.

17. How will the transition ensure legal compliance, adherence to regulatory standards, and any necessary adjustments to meet new governance requirements?

MOA Response: Please see response to hydro Question #2.

Customer and Stakeholder Engagement:

18. How will customer communication, feedback mechanisms, and public engagement be managed during the transition, particularly concerning power supply contracts and hydropower services to CEA and MEA?

MOA Response: Please see response to hydro Question #2.

Emergency Response and Contingency Plans:

19. Are there emergency response and contingency plans in place for incidents related to hydropower generation and transmission?

MOA Response: Yes.

20. How might the transition ensure that these plans are adapted and effectively executed under the new governance structure?

MOA Response: Please see response to hydro Question #2.

Public and Stakeholder Communication:

21. How will changes in utility operations, power supply contracts, and regulatory compliance be communicated to the public, customers, and stakeholders?

MOA Response: Please see response to hydro Question #2.

22. What mechanisms are in place to address inquiries, concerns, or feedback from the community regarding hydropower services and contractual arrangements?

MOA Response: The MOA has a FOIA-type process in place to address inquiries from the public. The other hydro plant owners have similar mechanisms to address inquiries, concerns, or feedback from the community.

Questions on MOA Assets and Liabilities

- Can Eaglexit request the data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: Please see earlier response to this question.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's assets and liabilities in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: 1) The answer to this question is highly dependent upon what assets and liabilities will be transferred to the Chugach Regional Borough if it is formed. 2) No budget allocation is anticipated; once formed, the borough should anticipate and plan to support its needs through its own tax sources.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of assets and liabilities within Chugiak-Eagle River during and after the transition?

MOA Response: It is important for Eaglexit to independently determine the financial considerations and budgetary implications associated with maintaining the quality and accessibility of assets and liabilities within Chugiak-Eagle River during and after the transition; the MOA is unable to perform this function on the (future) Chugach Regional Borough's behalf. However, the Municipality is aware that a study performed by an independent contractor concluded that "property tax rates would need to increase between 2.70 and 4.75 mills…" for the future borough and that expenditure cuts, such as cuts to the education budget, would be required.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of resources and funds?

MOA Response: The MOA is willing to propose an equitable distribution of non-restricted general government assets and liabilities, noting such a distribution would require many approvals (voter approvals, Assembly approval, etc.), the refinancing of all GO Bond debt with a "hold harmless" impact to all remaining Anchorage taxpayers (including amortization timing) at the future borough's expense, etc. The future Chugach Regional Borough, however, will be solely responsible for addressing potential funding gaps or shortfalls through increased taxes and/or decreased service levels, post-transition.

1. Asset Valuation and Transfer:

- How will all assets within the Municipality of Anchorage be identified, valued, and documented?

MOA Response: The MOA follows generally accepted accounting principles (government) to account for its assets, more specifically, governmental standards.

2. Infrastructure Assets:

- **Identification:** How will a comprehensive inventory of infrastructure assets, including roads, bridges, water and sewage systems, public buildings, and other critical infrastructure, be conducted?

MOA Response: The MOA does not have budget capacity to create a comprehensive inventory of infrastructure assets, including roads, bridges, water and sewage systems, public buildings, and other critical infrastructure. However, asset information can be found within the Municipality's ACFRs and within the audited financial statements of its utilities and enterprise funds.

Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Valuation:** What professional valuation methods, such as cost approach, market approach, or income approach, will be employed to determine the current market value of infrastructure assets?

MOA Response: The MOA does not have budget capacity to value its infrastructure assets; the MOA follows generally accepted accounting principles (government) and its ACFRs are available on-line for review. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Documentation:** How will detailed records of asset specifications, maintenance history, and ownership documents be maintained? What steps will be taken to preserve as-built plans, permits, and engineering drawings?

MOA Response: The MOA will continue to maintain records of asset specifications, maintenance history, and ownership documents under its current practices. As-built plans, permits, and engineering drawings will continue to be preserved following current practices.

3. Real Estate Assets:

- **Identification:** How will a list of all real estate properties owned by the Municipality of Anchorage, including land, buildings, and facilities, be compiled?

MOA Response: Please see MOA website for information about MOA real properties owned. Please see MOA ACFRs for information about MOA land, building and facilities owned. No single list (inventory) exists, nor will one be created, due to lack of budget capacity. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Valuation:** What process will be followed to conduct property appraisals by certified appraisers to assess the fair market value of real estate assets?

MOA Response: If Eaglexit desires property appraisals be conducted on real estate assets owned by the MOA please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- **Documentation:** How will property deeds, titles, surveys, and land records be maintained? What measures will be taken to document any encumbrances, liens, or easements that may affect property value?

MOA Response: The MOA will continue to maintain property deeds, titles, surveys, and land records under its current practices. Encumbrances, liens, or easements will continue to be documented following current practices.

4. Equipment and Machinery:

- **Identification:** How will an inventory of all equipment and machinery assets, including vehicles, heavy machinery, and technical equipment, be created?

MOA Response: A single inventory of all equipment and machinery assets, including vehicles, heavy machinery, and technical equipment does not exist. If Eaglexit desires a single inventory of all equipment and machinery assets, including vehicles, heavy machinery, and technical equipment, be created, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- **Valuation:** What methods, such as depreciation and market valuation, will be used to determine the current value of equipment and machinery?

MOA Response: the MOA follows generally accepted accounting principles. Please see the Municipality's ACFRs and the audited financial statements for the enterprise funds and utilities owned by the Municipality which are available on-line for highlights of accounting policies (which are typically disclosed in Footnote 1). Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Documentation:** What approach will be taken to maintain maintenance logs, purchase records, and warranty information? How will the tracking of serial numbers, equipment conditions, and repair history be organized?

MOA Response: The MOA will continue to maintain maintenance logs, purchase records, and warranty information under its current practices. Serial numbers, equipment conditions, and repair history will continue to be tracked and organized following current practices.

5. Financial Assets:

- **Identification:** How will a list of financial assets, such as cash, investments, and accounts receivable, be compiled?

MOA Response: See detailed information in the reports, including the footnotes of, the annual ACFRs. Note that almost all cash, investments, and accounts receivable are associated with a utility, an enterprise fund, a fund, or are otherwise restricted and not available for distribution. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Valuation:** What strategies will be employed to work with financial experts to determine the fair market value of financial assets and investments?

MOA Response: See detailed information in the reports, including the footnotes of, the annual ACFRs. Note that fair market values are disclosed, alongside carrying values. However, note that almost all cash, investments, and accounts receivable are associated with a utility, an enterprise fund, a fund, or are otherwise restricted and not available for distribution. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Documentation:** What methods will be used to maintain detailed financial records, including bank statements, investment portfolios, and accounts receivable records?

MOA Response: Current methods will continue to be used.

6. Intellectual Property:

- **Identification:** How will intellectual property assets, including patents, trademarks, copyrights, and licenses, be identified?

MOA Response: N/A (Government Activities).

- **Valuation:** What steps will be taken to collaborate with legal experts and intellectual property appraisers to assess the value of intellectual property assets?

MOA Response: N/A (Government Activities).

- **Documentation:** How will all intellectual property documentation, including registration certificates, licensing agreements, and renewal records, be maintained?

MOA Response: N/A (Government Activities).

7. Natural Resources:

- **Identification:** What approach will be used to identify and document natural resource assets, such as land with resource potential (e.g., mining, timber, or energy resources)?

MOA Response: No such natural resource inventory audit is anticipated. Eaglexit is welcome to conduct any natural resource audit(s) that it desires to conduct, at its expense.

- **Valuation:** How will collaboration with environmental experts and the assessment of the potential value of these resources be organized?

MOA Response: In the event Eaglexit engages an environmental expert who determines there are Municipally-owned mining, timber, or energy resources that have not already been recorded on the Municipality's books, we encourage Eaglexit to submit an irrevocable, all-cash offer to purchase those interests alongside the expert's analysis.

- **Documentation:** What methods will be employed to maintain records of resource assessments, permits, environmental impact studies, and land-use plans?

MOA Response: Methods of record retention depend upon the nature of the item of information being retained.

8. Tangible and Intangible Assets:

- **Identification:** How will other tangible and intangible assets, such as artwork, software, and leases, be identified and documented?

MOA Response: No such artwork identification and documentation are anticipated (note most of the artwork located in City Hall is not owned by the MOA but is instead "on loan"). No such software audit is anticipated, and MOA notes software, when capitalized, is typically depreciated over relatively short lives. The MOA further notes that the SAP ERP system was funded through long-term debt with tranches of interfund borrowing, all of which remain outstanding. Please see the audited ACFRs for information about leases. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- **Valuation:** What consultation with relevant experts to determine the value of these assets based on market conditions and legal agreements will be undertaken?

MOA Response: None (lack of budget, etc.).

- **Documentation:** What approach will be taken to maintain records of lease agreements, intellectual property licenses, and any documentation related to the purchase or acquisition of assets?

MOA Response: Current approaches.

9. Public Records and Archives:

- **Identification:** How will the identification and cataloging of public records, historical documents, and archives maintained by the Municipality be conducted?

MOA Response: NA, no special identification and cataloging of public records, historical documents and archives is anticipated as such activity relates to Eaglexit.

- **Valuation:** While it may not have direct market value, how will the preservation of these records for their historical, cultural, and administrative significance be ensured?

MOA Response: NA, no special preservation of records is anticipated as such activity relates to Eaglexit.

- **Documentation:** What systematic archive and records management plan will be created to ensure the preservation and access to historical documents?

MOA Response: NA, no special archive and records management plan is anticipated to be created.

10. Transfer of Assets

- What mechanisms can be used for the transfer of assets from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: TBD, if Eaglexit continues to progress (pending evaluation of General Obligation (GO) Bond issues). Transfers would be dependent upon the individual asset and its characteristics.

- Are there any joint or shared assets that require special arrangements or shared ownership agreements?

MOA Response: Possibly. Further, to the extent Eaglexit desires to separate from ASD, Eaglexit should also pose this question (and all questions) to ASD.

- Have comprehensive inventories of all assets, including infrastructure, properties, and equipment, been conducted, and how frequently will they be updated?

MOA Response: No, and N/A.

- What methods and standards can be used for valuing assets, and will independent appraisals be considered for high-value assets?

MOA Response: Revaluing assets is not anticipated, nor are independent appraisals anticipated (the MOA follows generally accepted accounting principles).

11. Asset Maintenance and Management:

- Are there established maintenance schedules and asset management plans for critical infrastructure, and how will these be transferred and integrated into the Chugach Regional Borough's operations?

MOA Response: 1) Yes. 2) The method of transferring schedules and plans depends upon the type of underlying information (i.e., is it available in electronic format, is it available only in hard copy, etc.?).

- What mechanisms will be in place to track and address deferred maintenance or repair needs to prevent asset devaluation?

MOA Response: Regarding "asset devaluation", the MOA follows generally accepted accounting principles (government). The new borough may address any deferred maintenance or repair needs as it sees fit, following any transition should a transition occur.

12. Asset Data and Documentation:

- How will asset data, including maintenance records, warranties, and historical information, be transferred between the Municipality of Anchorage and the Chugach Regional Borough?

MOA Response: See earlier answer to this question.

- What measures will be taken to ensure the accuracy and completeness of asset documentation, including legal titles and ownership records?

MOA Response: Documentation will be reviewed for accuracy and completeness at the time of transfer by the appropriate parties in control of the applicable documentation.

13. Asset Depreciation and Replacement Planning:

- Are there policies in place for calculating asset depreciation, and how will these policies be harmonized during the transition?

MOA Response: Yes, there are policies in place for calculating depreciation. No, those policies will not be harmonized during any transition that occurs; Chugach Regional Borough management shall create new policies. However, the MOA notes that policies are available for the future borough's review in the published ACFRs and are fairly standard.

- What plans exist for asset replacement, and how will they be integrated to ensure the continued functionality and value of assets?

MOA response: Plans for asset replacement depend upon the type of asset (fleet, etc.). Plans will not be integrated; the new borough should create its own asset replacement policies and procedures.

14. Risk Assessment and Mitigation:

- How will risks to asset value, including natural disasters and economic fluctuations, be assessed and mitigated during and after the transition?

MOA response: Management of the new borough, specifically, the new Risk Management Department, will be responsible for assessing and mitigating risks after any transition. Initially, the borough might consider external insurance coverage procured from the marketplace before considering higher deductibles and/or self-insurance as full staffing + full funding of operating reserves are achieved.

- Are there contingency plans for rapid response to emergencies that could affect asset value?

MOA response: Yes.

15. Capital Improvement Projects:

- What capital improvement projects are planned, and how will these projects impact asset value and functionality?

MOA Response: Please see the approved 2024 CIB / CIP available on the MOA website (Assembly / "Passed Legislation").

- How will project prioritization and budget allocation be coordinated to maximize asset preservation?

MOA Response: N/A, project prioritization and budget allocation are driven by input from the various Community Councils and MOA departments and proposed for consideration by the MOA Administration, but ultimately subject to Assembly approval.

16. Asset Transfer and Ownership Rights:

- How will the legal and administrative transfer of ownership rights for assets be managed, and what safeguards will be in place to prevent disputes or asset loss?

MOA Response: If transition occurs, the Municipality's Municipal Attorney's office will prepare an Administrative Agreement for mutual execution following Assembly approval of the proposed asset / liability transfer.

- What mechanisms are available for addressing disputes related to asset ownership and value preservation?

MOA Response: The Administrative Agreement referred to above will include a provision to address disputes. The MOA cannot ensure value preservation, nor can it guarantee clear title (aka, asset ownership) to every asset subject to potential transfer.

17. Asset Audits and Reporting:

- Will regular asset audits be conducted to verify asset value and condition, and how will the findings be reported to relevant stakeholders and the public?

MOA Response: Municipal assets are already subject to annual audit; see ACFRs available on the MOA website which are available for review by relevant stakeholders and the public. The MOA cannot verify asset value and condition. Please see ACFRs at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- What mechanisms will be in place to address discrepancies and discrepancies in asset audits?

MOA Response: alongside the financial statement audits, external auditors issue a "Schedule of Findings and Questioned Costs" that is reviewed by the Audit Committee.

18. Public Awareness and Accountability:

- How will the public be informed about the asset transition and preservation efforts, and what mechanisms will be in place to ensure accountability and transparency in asset management?

MOA Response: Eaglexit shall inform the public about the asset transition and preservation efforts. Existing mechanisms will remain in place to ensure accountability and transparency in asset management.

- Are there avenues for public input and feedback regarding asset preservation priorities and strategies?

MOA Response: Yes.

19. Debt and Liability Management:

- What is the comprehensive assessment of existing debt and liabilities related to Chugiak-Eagle River and the Municipality of Anchorage?

MOA Response: This is highly contingent upon the following items:

1) *Whether ASD continues to operate as a single school district, without being affected by the creation of a new Chugach Regional Borough, and*
2) *Whether all MOA GO bonds are repaid at the time of transition, with the MOA and the new Chugach Regional Borough originating replacement bonds under their own borrowing capacities, and*
3) *Whether any new PERS debts will be triggered by the creation of the new Chugach Regional Borough (as such were created after the sale of ML&P to Chugach Electric Association, Inc.), and*
4) *The final accounting for asset transfers (roads, etc.) to the new Chugach Regional Borough net of repayment of the boroughs's share of liabilities such as but not limited to the outstanding SAP debt, and*
5) *Etc.*

Note the above list assumes existing GO bond holders do not sue to block actions that would cause their bonds from becoming impaired. The above list also assumes that government entities such as the Anchorage Assembly or the State Legislature do not similarly take steps to block actions that would harm the bond rating(s) of residents.

- How will the new Chugach Regional Borough address, assume, or distribute these debts and liabilities?

MOA Response: Chugach Regional Borough management should determine how it wishes to assume and distribute debts and liabilities. However, the Municipality is under no obligation to accept outstanding obligations from the borough. Instead, the borough should issue anticipate issuing a sizable GO bond at the time of transition sufficient to repay all obligations and to maintain adequate liquidity as it organizes its tax collection systems.

- What legal and financial strategies will be employed to manage outstanding bonds, loans, and contractual obligations?

MOA Response: the MOA will continue to maintain longstanding legal and financial strategies to manage outstanding its bonds and contractual obligation. The new borough will need to develop financial strategies to manage outstanding bonds, loans, and contractual obligations.

- What updates including other debts to the June 22, 2022, memorandum from MOA CFO Frisk to Municipal Manager Demboski is required to provide a complete liability assessment?

*MOA Response: the internal June 22, 2022, memo (Option #1) only addressed one aspect of liabilities, and that memo is out of date due to subsequent i) GO bond issuances, ii) interest rate changes, and iii) GO bond principal payments that have occurred since 2022. Further, the Municipality reserves the right to revisit the June 22, 2022, analysis to ensure a "hold harmless" impact to Municipal residents (<u>including a provision that post-transition Municipal GO payment **timing** would be unchanged from pre-transition timing, rather than re-setting Municipal GO payments to a new, 20-year, GO payment stream</u>). Many liabilities were not addressed in that memo, which include, but are not limited to:*

1) *New PERS liabilities to the State of Alaska that may be triggered by the creation of the Chugach Regional Borough; and*
2) *The Chugach Regional Borough's share of the "SAP" liability and similar-type liabilities; and*
3) *Outstanding environmental liabilities; and*
4) *Allocation of costs / liabilities resulting from federal regulations; and*
5) *Any notes, bonds, debt, or other financial obligations that are tied with any assets that may be assigned to (transferred to) the Chugach Regional Borough, and*
6) *Encumbrances, and*
7) *The Chugach Regional Borough's share of the existing unfunded PERS past service liability, and*
8) *The Chugach Regional Borough's share, if any, of the accumulated deficit in the Worker's Comp and General Liability fund, and*
9) *Transactional liabilities the Chugach Regional Borough would assume (other than GO debt), and*
10) *Any items the ASD provides on its list.*

Note the above partial list excludes any and all debt at the utility, component unit, and enterprise fund levels; the MOA anticipates these entities would be unaffected by the creation of the Chugach Regional Borough. Note also that the memo presumed that existing bond holders would not sue to block actions that would impair the value of their bonds, the State of Alaska would not block the transition, etc.

It is important to note the June 22, 2022, memo assumed one major approach to Eaglexit, that of a total GO bond refinancing. Another "GO" approach – <u>if and only if</u> allowed under the law – may be possible whereby, to avoid significant refinancing costs at an average higher interest rate, any new borough could (subject to approval by the Anchorage Assembly and voters) enter into the following series of transactions:

1) *The Municipality retains ownership of all "GO-funded" properties located in the new borough, for a 20-year period beginning from the date of transition, and*

2) *GO properties located within the boundaries of the new borough are leased to the new borough under absolute NNN leases (which leases would be calculated to recover the applicable GO bond repayment obligations), and*
3) *During the 20-year lease period, the new borough bonds or taxes (under the borough's name) for any major required capex improvements, and*
4) *At the end of the 20-year lease period, ownership of the "GO" properties is transferred to the borough, and*
5) *During the 20-year period, the new borough would continue to pledge its full faith and credit to the existing GO bonds (therefore, in theory the existing bond holders might consider themselves held harmless by Option 2).*

If this "Option 2" is pursued, the above list of liabilities (#1 through #10) listed under Option #1 would still apply. Note the Municipality has not determined if "Option 2" is legally possible.

20. Financial Planning:

- How will the budget and financial planning be structured for the transition and the subsequent operation of the Chugach Regional Borough?

MOA Response: Eaglexit should budget and plan for the transition and subsequent operation of the Chugach Regional Borough.

- What revenue sources and taxation strategies will be used to support the new borough's financial needs during transition?

MOA Response: Presumably, the Chugach Regional Borough will require a voter-approved ordinance to simultaneously authorize establishment of i) its creation, ii) general governance, and iii) multiple revenue sources. The ordinance wording could consider the need for immediate cash flows and anticipate challenges the new borough may have established credit given a lack of borrowing history.

21. Legal Framework and Governance:

- What will be the legal status and governance structure of the Chugach Regional Borough, including its authority and jurisdiction?

MOA Response: The legal status and governance structure of the Chugach Regional Borough, if formed, would be as proscribed by the residents of that borough as subject to any limitations imposed by state and federal law.

- How will the transition affect existing laws, regulations, and governance practices in Chugiak-Eagle River?

MOA Response: The transition's impact upon existing laws, regulations and governance practices will be widespread; see immediately preceding response.

22. Credit Reputation and Bond Ratings:

- What are the potential implications of the transition on the credit reputation and bond ratings of both the Municipality of Anchorage and the Chugach Regional Borough?

MOA Response: The implications are widespread and may preclude the formation of the Chugach Regional Borough. Please see: Buckhead, Georgia's recent failed efforts to secede from Atlanta, due to bipartisan concerns about legality and workability. Executive Counsel David Dove indicated that allowing a split could affect all Georgia cities' ability to borrow money; bond markets would fear defaults:

> *"Have proponents…. considered what greater impacts this precedent may have on municipal bond ratings, underwriting considerations, the further de-annexation and incorporation of cities, and the possible widespread default that could occur?*

Of particular note, Buckhead's failed secession effort was merely a suburb attempting to secede from a city; Eaglexit's goal is far more complex – a borough forming from an existing municipality.

- What actions will be taken to maintain or enhance creditworthiness to minimize borrowing costs?

MOA Response: Eaglexit / the Chugach Regional Borough will be responsible for maintaining or enhancing its creditworthiness and minimizing its borrowing costs. The MOA has established systems in place to originate debt and to interact with rating agencies.

23. Credit Reputation Assessment:

- How will the credit reputation of the Municipality of Anchorage and the Chugach Regional Borough be assessed before and after the transition?

MOA Response: Eaglexit / the Chugach Regional Borough will be responsible for establishing and maintaining its credit reputation before and after the transition. The MOA's credit reputation is periodically re-assessed in the ordinary course of business.

- What factors will credit agencies consider in evaluating the creditworthiness of both entities, including their financial stability, debt levels, and ability to meet financial obligations?

MOA Response: Any and all relevant factors.

24. Bond Ratings Evaluation:

- Will there be a comprehensive evaluation of the bond ratings of both the Municipality of Anchorage and the Chugach Regional Borough by credit rating agencies?

MOA Response: Possibly. Credit rating agencies regularly evaluate the Municipality of Anchorage in the ordinary course of business.

- What criteria will rating agencies use to assess the creditworthiness of each entity, and how might the transition impact these criteria?

MOA Response: Any and all relevant criteria will be used by the rating agencies to assess creditworthiness.

- Will the current lack of necessary reserves impact the MOA's bond rating with detachment and incorporation?

MOA Response: This question cannot be answered until a fundamental financial-based approach to detachment is first determined.

25. Debt Allocation and Responsibility:

- How will the allocation of existing debts and bonds be managed between the Municipality of Anchorage and the Chugach Regional Borough during the transition?

MOA Response: This question is highly contingent upon the underlying question of the financial approach to detachment.

If all enterprise funds, utilities, component units, ASD and the like are not affected by the Chugach Regional Borough formation, one possible approach could be "equity-based":

- *Focus solely Governmental Activities*
- *Chugach Regional Borough:*
    - *Remits to the MOA reimbursement for all costs triggered by its split such as the GO bond early retirement and reissuance costs, and*
    - *Pays its share of outstanding "general government" liabilities such as the SAP debt and the like, and*
    - *Pays (or receives) a total net "age credit" to account for any gap between assets transferred to the borough and the related asset's debt. For instance – using an extreme example for illustrative purpose only – if the borough was to receive via transfer a brand new, $60 million school (aka, a "young" school) associated with a GO bond that had incurred no principal paydowns to-date, – that particular asset would require an "age credit" to the Municipality equal to $60 million, and*
    - *Pays to the Municipality at the time of borough formation the impact of any new costs triggered by the borough's formation, such as new PERS obligations (note this*

could likely be in the form of a payment sufficient to generate an annual average investment return capable of satisfying annual obligations to the State of Alaska).

- *A determination is made as to what share, if any, of the "general government" unrestricted fund balance would be assignable to the new Borough*
    - *A historical weighted average population would need to be calculated, reduced by:*
    - *A factor for the lower effective tax rates paid into general government by the Eagle River taxpayers over the time the unrestricted fund balance was built*

- What mechanisms will be in place to ensure that each entity assumes its respective financial responsibilities for outstanding debts without negatively affecting credit ratings?

MOA Response: There is no mechanism to protect credit ratings. See response to Question 22, above. The potential impact to credit ratings of all Alaskan governmental units is a serious impediment that may preclude the formation of the Chugach Regional Borough. Please see: Buckhead, Georgia's recent failed efforts to secede from Atlanta, due to bipartisan questions about legality and workability. Executive Counsel David Dove indicated that allowing a split could affect all Georgia cities' ability to borrow money; bond markets would fear defaults:

> *"Have proponents…. considered what greater impacts this precedent may have on municipal bond ratings, underwriting considerations, the further de-annexation and incorporation of cities, and the possible widespread default that could occur?*

Of particular note, Buckhead's failed secession effort was merely a suburb attempting to secede from a city; Eaglexit's goal is far more complex – a borough forming from an existing municipality.

26. Impact on Interest Rates:

- Are there projections or analyses of how the transition may impact the interest rates on future bond issuances for both the Municipality of Anchorage and the Chugach Regional Borough?

MOA Response: It is possible the borough's formation may negatively affect the bond ratings of all Alaskan communities and therefore, be deemed impermissible. Please see: Buckhead, Georgia's recent failed efforts to secede from Atlanta, due to bipartisan questions about legality and workability. Executive Counsel David Dove indicated that allowing a split could affect all Georgia cities' ability to borrow money; bond markets would fear defaults:

> *"Have proponents…. considered what greater impacts this precedent may have on municipal bond ratings, underwriting considerations, the further de-annexation and incorporation of cities, and the possible widespread default that could occur?*

Of particular note, Buckhead's failed secession effort was merely a suburb attempting to secede from a city; Eaglexit's goal is far more complex – a borough forming from an existing municipality.

What steps will be taken to secure favorable interest rates and terms for future bond offerings?

MOA Response: The Municipality's Public Finance Department will continue to work with bond rating agencies to protect Anchorage's bond rating; the Chugach Regional Borough's finance team should do the same.

27. Debt Service Coverage and Revenue Streams:

- How will both entities ensure adequate debt service coverage for existing and new obligations to maintain favorable bond ratings?

MOA Response: The Municipality's Public Finance Department will continue to work with ensure adequate debt service coverage for existing and new obligations to maintain bond ratings; the Chugach Regional Borough's finance team should do the same.

- Will revenue streams, such as tax revenues and utility fees, be adjusted to support debt service requirements and safeguard credit ratings?

MOA Response: Possibly. The Municipality observes that an earlier consultant report opined that any future borough might need to consider new revenue sources (sales taxes, etc.) to maintain service levels, post-transition.

28. Investor Confidence and Disclosure:

- How will investor confidence be maintained or enhanced during the transition, and what strategies will be employed to communicate the financial stability and commitment to fiscal responsibility of both entities?

MOA Response: The Municipality's Public Finance Department will continue to work with bond rating agencies to maintain investor confidence and to communicate the Municipality's financial stability; the Chugach Regional Borough's finance team should do the same.

- What disclosure and transparency measures will be implemented to provide potential bond investors with accurate and timely information?

MOA Response: The Municipality's Public Finance Department will continue to provide routine disclosure information to bond rating agencies; the Chugach Regional Borough's finance team should determine the disclosure and transparency measures it wishes to implement to provide potential bond investors with.

29. Contingency Planning:

- Are there contingency plans in place to address any unexpected financial challenges or credit rating downgrades that may arise as a result of the transition?

MOA Response: Not at this time.

- How will both entities adapt and respond to changing financial conditions while protecting their creditworthiness?

MOA Response: The Municipality's Public Finance department is seasoned and experienced in adapting to changing financial conditions. The borough should build a similar team of professionals.

30. Legal and Regulatory Compliance:

- Are there any legal or regulatory requirements that both entities must adhere to in managing their financial affairs and credit ratings during and after the transition?

MOA Response: Yes.

- How will compliance with financial regulations and reporting standards be ensured?

MOA Response: By continuing to carefully comply with all laws, regulations, and reporting standards.

31. Public Communication and Awareness:

- How will the transition process be communicated to the public, including information about the potential impact on credit reputation and bond ratings?

MOA Response: If a transition occurs, possible methods of communication include press releases, public work sessions, websites, etc.

- What steps will be taken to engage with residents and stakeholders to address concerns and provide clarity regarding financial implications?

MOA Response: Eaglexit should engage with its residents and stakeholders. The MOA would continue to engage through its Budget Advisory Committee and Assembly Budget Finance Committee and through various documents produced on a regular basis as part of the items submitted to the Assembly (AIMs, etc.).

- How will residents of Chugiak-Eagle River and other stakeholders be informed about the transition process and its potential impacts?

MOA Response: Eaglexit should engage with residents of Chugiak-Eagle River and other stakeholders.

- What mechanisms will be in place to address concerns and questions from the public and ensure transparency throughout the transition?

MOA Response: Public testimony at Assembly meetings, public work sessions, etc. Eaglexit should engage with residents of Chugiak-Eagle River and other stakeholders.

32. Risk Assessment and Management:

- What are the potential risks associated with the transition, such as legal challenges, financial uncertainties, or service disruptions?

MOA Response: Potential risks include, but are not limited to legal challenges, financial uncertainties, service disruptions, post-transition bankruptcy of the newly formed borough, junk-quality bond ratings for the new borough (aka, significantly higher interest rates), failure of Eagle River and Chugiak residents to approve formation of a borough, etc. Eaglexit is responsible for assessing and compiling its own list of risks associated with any transition and for communicating those risks to the (voting) public. The MOA cannot, and does not, assume responsibility for the Eaglexit's successful transition.

- How will the Chugach Regional Borough identify and mitigate these risks to ensure a smooth transition?

MOA Response: The MOA has no expertise in secession efforts; Eaglexit must independently thoroughly identify and mitigate risks.

33. Collaboration and Expertise:

- What expertise, including legal and financial experts, will be engaged to guide the transition process?

MOA Response: the MOA has no budget to engage legal and financial experts to support Eaglexit efforts to transition away from the Municipality of Anchorage.

- How will relevant stakeholders be involved in decision-making, and what collaboration mechanisms will be in place?

MOA Response: The MOA proposes calendared (public) meetings with agendas. Anything beyond that will be challenging due to lack of budget.

34. Implementation Timeline:

- What is the detailed timeline for the transition, including milestones and deadlines for key actions and decisions?

MOA Response: The MOA has no detailed timeline, milestone, and/or deadlines for key actions and decisions.

35. Monitoring and Evaluation:

- How will the progress and success of the transition be monitored and evaluated, and what mechanisms will be in place to adapt to unexpected challenges?

MOA Response: The MOA is eager to receive Eaglexit's ideas for this Q/A.

Port of Alaska at Anchorage

In alignment with the regulations stipulated in 3 AAC 110.900, governing municipal transitions, the following inquiries are framed to address the Port of Alaska within the context of a petition for incorporation:

1. Can Eaglexit specify a particular format for data retrieval, or will the information be furnished in a standardized format, as mandated by 3 AAC 110.900?

MOA Response: See prior response to this question.

Impact on the Municipality of Anchorage:

2. How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's port services concerning funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Don Young Port of Alaska (the Port).

3. What financial considerations and budgetary implications, following 3 AAC 110.900, are associated with maintaining the quality and accessibility of port services within Chugiak-Eagle River during and after the transition

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

4. Are there, or can measures be implemented, aligned with 3 AAC 110.900, to address potential funding gaps or shortfalls arising from the transition, including the equitable distribution of port services resources and funds?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Ownership and Jurisdiction:

5. How is the Port of Alaska currently owned and governed within the Municipality of Anchorage?

MOA Response: The Port is an enterprise fund owned by the Municipality of Alaska. For more information, please read the Port's audited financial statements (including footnotes) and visit the Port's website:

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

6. What legal and administrative steps are required to transfer ownership and jurisdiction of the Port to the Chugach Regional Borough?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Asset Inventory and Valuation:

7. What is the comprehensive inventory of assets at the Port of Alaska, including infrastructure, storage facilities, equipment, and cargo-handling capabilities?

MOA Response: For information about the Port's assets, please read the Port's audited financial statements (including footnotes) and visit the Port's website:

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

8. How might the valuation of these assets be conducted to determine their market value during the transition?

MOA Response: no valuation is anticipated, as no ownership transfer is expected and as there is no budget for any valuation exercise. Note the Port follows generally accepted accounting principles (modified accrual basis of accounting).

Financial Responsibility and Liabilities:

9. What are the financial obligations and liabilities associated with the Port of Alaska, including outstanding debts, bonds, and operational costs?

MOA Response: For information about the Port's financial obligations and liabilities, please read the Port's audited financial statements (including footnotes) and visit the Port's website:

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

10. How should the allocation of these financial responsibilities between the Municipality of Anchorage and the Chugach Regional Borough be managed during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Transition of Workforce:

11. How will the transition plan address the workforce at the Port of Alaska, including skilled labor, administrative staff, and management?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

12. What considerations are necessary to ensure continued employment and workforce stability?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Operational Agreements and Contracts:

13. What operational agreements, contracts, and partnerships does the Port of Alaska have in place with public and private entities, including cargo shippers, fuel suppliers, or other stakeholders?

MOA Response: Please review the Port's audited financial statements (including footnotes) and Assembly documents (specifically, passed legislation) governing Port operations to gain insight into Port operating agreements, contracts, and partnerships:

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

14. How might these agreements be reviewed and potentially transferred or renegotiated during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Maintenance and Capital Improvement Plans:

15. What are the current maintenance and capital improvement plans for the Port of Alaska to ensure its efficient and safe operation?

MOA Response: Please see the Port's approved Capital Improvement Budget and Capital Improvement Plan:

https://www.muni.org/Departments/budget/Pages/default.aspx

16. How might these plans be incorporated into the new governance structure to maintain operational standards?

MOA Response: No new Port governance structure is anticipated.

Revenue Streams and Cargo Distribution:

17. What are the main sources of revenue for the Port of Alaska, including cargo handling fees, storage fees, or other income streams?

MOA Response: Please review the Port's financial statements and the Port's website to gain familiarity about the Port.

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

18. How might the transition address revenue collection and distribution to safeguard the financial stability of both the Municipality of Anchorage and the Chugach Regional Borough?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Credit Reputation and Bond Ratings:

19. What steps will be taken to assess and protect the credit reputation and bond ratings of both municipalities during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

20. Are there mechanisms in place to mitigate any potential negative impact on creditworthiness as a result of the transfer?

MOA Response: The MOA anticipates no Port transfer; therefore, the MOA anticipates no negative impact on creditworthiness as a result of a Port transfer.

Regulatory Compliance and Environmental Responsibility:

21. How will the transition ensure compliance with federal and state regulations governing port operations and environmental standards?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

22. What strategies will be employed to maintain or enhance the Port's environmental stewardship?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Communication and Stakeholder Engagement:

23. How will the transition plan communicate with and engage stakeholders, including cargo shippers, port users, labor unions, and the broader public?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

24. What steps might be taken to address concerns and maintain transparency throughout the process?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Contractual Agreements:

25. What contractual agreements does the Port of Alaska have with cargo shippers, freight companies, and cruise ship operators?

MOA Response: N/A, see response to Question #26.

26. How will these contracts be reviewed and potentially renegotiated or transferred during the transition to ensure continuity of operations?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Lease Agreements:

27. Are there lease agreements in place for tenants or businesses operating within the Port of Alaska facilities?

MOA Response: Yes.

28. How will the transition address these lease agreements, including terms, rental rates, and responsibilities of tenants?

    MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Ownership and Easements:

29. Are there any ownership agreements or easements that affect the use of Port of Alaska land or infrastructure?

MOA Response: Yes.

30. What legal steps are necessary to transfer ownership or easement rights to the Chugach Regional Borough?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Environmental Permits and Regulations:

31. What environmental permits and regulatory compliance measures are in place for the Port of Alaska?

MOA Response: Please review information available at the Port's website and on the Port's audited financial statements (specifically, the footnotes to the audited financial statements).

https://www.portofalaska.com/

Financial statements can specifically be found at:

https://www.portofalaska.com/business/finances/

If additional information is desired, please submit a Public Records Request and a cost estimate will be provided to Eaglexit:

https://anchorageak.justfoia.com/publicportal/home/newrequest

32. How should the transition ensure compliance with federal, state, and local environmental regulations during the transfer?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Labor and Union Contracts:

33. Are there existing labor contracts with port workers or labor unions, and how do these agreements impact labor relations and workforce management?

MOA Response: 1) Yes (labor contracts), 2) the agreements affect pay, benefits, and working conditions.

34. How should the transition address labor contracts and ensure continued positive labor relations?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Dispute Resolution Mechanisms:

35. Are there dispute resolution mechanisms in existing contracts or agreements, and how will disputes be resolved during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

36. What legal steps will be taken to address disputes and conflicts that may arise as a result of the transfer?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Real Estate and Land Use Rights:

37. How are land use rights and real estate holdings managed within the Port of Alaska's premises?

MOA Response: Please see:

https://www.portofalaska.com/business/

Please also review information located within the Port's financial statements, which can specifically be found at:

https://www.portofalaska.com/business/finances/

38. What is the process for transferring or renewing land use rights and real estate holdings to the Chugach Regional Borough?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Compliance with State and Federal Laws:

39. Are there any specific state and federal laws that govern the operation of ports and maritime facilities like the Port of Alaska?

MOA Response: Yes.

40. How should the transition ensure compliance with these laws while adapting to the new governance structure?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Review of Financial Instruments:

41. What financial instruments are currently in place to secure loans, grants, or financial arrangements for port operations?

MOA Response: Please review the Port's audited financial statements to increase familiarity with Port finances.

https://www.portofalaska.com/business/finances/

42. How should these financial instruments be assessed and potentially adjusted during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Long-Term Infrastructure Investments:

43. Are there long-term infrastructure investments or capital projects in progress or planned for the Port of Alaska?

MOA Response: Yes, the Port's CIB and CIP are available to the public for review:

https://www.muni.org/Departments/budget/Pages/default.aspx

44. How should the transition accommodate these investments and ensure their continuity without disruption?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Communication and Public Engagement:

45. How will stakeholders, including tenants, labor unions, and the public, be informed and engaged regarding changes to contracts, leases, and legal instruments during the transition?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

46. What communication strategies will be employed to ensure transparency and address concerns?

MOA Response: N/A, the MOA does not anticipate any impacts from the transition to the Port.

Police

Questions adapted to match the regulations 3 AAC 110.900 - Transition:

1. **Transition Plan for Police Services:**
    - Can Eaglexit request data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response – See prior response to this question.

2. **Impact on the Municipality of Anchorage:**
    - How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's police services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: the newly-formed borough should prepare to fund its police services from its revenue sources. Eaglexit should establish its own governance model.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of police services within Chugiak-Eagle River during and after the transition?

MOA Response: the newly-formed borough should prepare to fund its police services from its revenue sources.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of police services resources and funds?

MOA Response: 1) Post transition, the newly-formed borough should prepare to fund its police services from its revenue sources. 2) Because police services have been "milled" (taxed) to all areas of Eagle River and Chugiak (see mill rate chart, below) an equitable distribution of existing police equipment and inventory on the date of transition is appropriate and should be anticipated:

Mill Levy by Tax District - 2023: AO 2023-40 (S) for GG and AO 2023-41 (S) for ASD

	Tax District	101 103 107 Area wide	131 104 Fire	151 152 Police	161 162 Parks & Rec	141 105 Roads & Drainage	106 Girdwood Valley Levy	18, 119, 121, 122, 149 Various Rural Road Service Areas	Levy w/o ASD, ERSL, & LRSAs	129 Eagle River Street Lights Service Areas	Various Limited Road Service Areas	Levy w/o ASD	School District (ASD)	Total Levy	Tax District
City/Anchorage	1	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	1
Hillside	2	0.04	2.47	3.72	0.75	-	-	-	6.98	-	-	6.98	7.17	14.15	2
Spenard	3	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	3
Girdwood Valley	4	0.04	-	-	-	-	5.35	-	5.39	-	-	5.39	7.17	12.56	4
Glen Alps SA w/o Fire	5	0.04	-	3.72	-	2.75	-	-	6.51	-	-	6.51	7.17	13.68	5
Spenard w/o Building Safety	8	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	8
Stuckagain Heights w/o Parks & Rec	9	0.04	2.47	3.72	-	-	-	-	6.23	-	1.25	7.48	7.17	14.65	9
Eagle River	10	0.04	2.47	3.72	1.05	-	-	2.00	9.28	-	-	9.28	7.17	16.45	10
Municipal Landfill w/o ERPRSA	11	0.04	2.47	3.72	-	-	-	-	6.23	-	-	6.23	7.17	13.40	11
Canyon Road (Glen Alps SA)	12	0.04	2.47	3.72	0.75	2.75	-	-	9.73	-	-	9.73	7.17	16.90	12
Muni/Outside Bowl w/o APD (w Turnagain Arm Police)	15	0.04	-	0.20	-	-	-	-	0.24	-	-	0.24	7.17	7.41	15
Muni/Outside Bowl with Police	16	0.04	-	3.72	-	-	-	-	3.76	-	-	3.76	7.17	10.93	16
Upper OMalley LRSA	19	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.00	8.98	7.17	16.15	19
Talus West LRSA	20	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	20
Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA	21	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.50	9.48	7.17	16.65	21
Chugiak Fire Service Area	22	0.04	1.00	3.72	1.05	-	-	2.00	7.81	-	-	7.81	7.17	14.98	22
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA	23	0.04	2.47	3.72	-	-	-	-	6.23	-	2.50	8.73	7.17	15.90	23
Birch Tree/Elmore LRSA	28	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	28
Eagle River Valley RRSA w/no Fire	30	0.04	-	3.72	1.05	-	-	2.00	6.81	-	-	6.81	7.17	13.98	30
South Goldenview Area RRSA	31	0.04	2.47	3.72	0.75	-	-	1.80	8.78	-	-	8.78	7.17	15.95	31
Section 6/Campbell Airstrip LRSA	32	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.25	8.23	7.17	15.40	32
Skyranch Estates LRSA	33	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	33
Valli-Vue Estates LRSA	34	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.40	8.38	7.17	15.55	34
Mountain Park Estates LRSA	35	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	35
SRW Homeowners LRSA	36	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	36
Mountain Park/Robin Hill LRSA	37	0.04	2.47	3.72	0.75	-	-	1.30	8.28	-	-	8.28	7.17	15.45	37
Raven Woods/Bubbling Brook LRSA	40	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	40
Upper Grover LRSA	41	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	41
View Point	42	0.04	-	3.72	-	2.88	-	-	6.64	-	-	6.64	7.17	13.81	42
Bear Valley LRSA	43	0.04	2.47	3.72	-	-	-	-	6.23	-	1.50	7.73	7.17	14.90	43
Villages Scenic Parkway LRSA	44	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	44
Sequoia Estates LRSA	45	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	45
Eaglewood Contributing RSA	46	0.04	2.47	3.72	1.05	-	-	0.40	7.68	-	-	7.68	7.17	14.85	46
Gateway Contributing RSA	47	0.04	-	3.72	1.05	-	-	0.30	5.11	-	-	5.11	7.17	12.28	47
Paradise Valley South LRSA	48	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	48
ER Street Lights SA w/ Anchorage Fire	50	0.04	2.47	3.72	1.05	-	-	2.00	9.28	0.20	-	9.48	7.17	16.65	50
ER Street Lights SA w/ Chugiak Fire	51	0.04	1.00	3.72	1.05	-	-	2.00	7.81	0.20	-	8.01	7.17	15.18	51
Rockhill LRSA	52	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	52
Totem LRSA	53	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	53
Lakehill LRSA	54	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	54
South Goldenview RRSA w/o Fire	55	0.04	-	3.72	-	-	-	1.80	5.56	-	-	5.56	7.17	12.73	55
Bear Valley LRSA w/o Fire	56	0.04	-	3.72	-	-	-	-	3.76	-	1.50	5.26	7.17	12.43	56
Homestead LRSA	57	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	57
Eagle River Valley RRSA w/ ERSL w/o Fire	58	0.04	-	3.72	1.05	-	-	2.00	6.81	0.20	-	7.01	7.17	14.18	58
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA w/o Fire	59	0.04	-	3.72	-	-	-	-	3.76	-	2.50	6.26	7.17	13.43	59

Note: District 6 was subsumed to District 18; Districts 14 & 18 were subsumed to District 3. District 7 was subsumed to District 2.
District 11 is the Anchorage Landfill. District 36 is new from 2005. April 6, 2010, Mt. Park/Robin Hill LRSA voted to become a RRSA (District 37).
District 57 was created in 2014 for new Homestead LRSA.
District 58 was created in 2016 for Eagle River Valley with Eagle River Street Light Service but without Fire Service.
District 59 was created in 2023 for Rabbit Ck View/Rabbit Ck Hts LRSA without Anchorage Parks and without Anchorage Fire

3. **Jurisdiction and Service Area for Police Services:**

- What are the current operational statistics for police services within Chugiak-Eagle River, including response times, crime rates, clearance rates, and incident reports? How are these statistics used to determine the allocation of resources and the establishment of service priorities?

MOA Response: please submit a Public Records Request for this information (a cost estimate will be provided) at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- Are there specific service delivery challenges or community concerns unique to Chugiak-Eagle River that require special attention? How is the current police force addressing these challenges, and how can the transition plan better align resources to address them?

MOA Response: please submit a Public Records Request for this information (a cost estimate will be provided) at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- Provide an overview of the current scheduling and patrol areas for police officers in Chugiak-Eagle River. How does the existing scheduling ensure adequate coverage and response to community needs?

MOA Response: please submit a Public Records Request for this information (a cost estimate will be provided) at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- What are the total expenditures for police services in Chugiak-Eagle River? Please identify the sources of revenue and amounts that support Chugiak-Eagle River police services.

MOA Response: 1) *Revenue sources for Chugiak-Eagle River police services are general tax revenues (aka, property taxes) collected from all Municipality of Anchorage residents except Tax District #4 (see chart provided, above) and other general municipal revenue sources 2) please submit a Public Records Request for expenditure information at:*

https://anchorageak.justfoia.com/publicportal/home/newrequest

4. **Coordination of Police Service Transfer:**

- What is the budgetary framework for police services in the Chugach Regional Borough? How will the financial resources be allocated to support the effective operation and maintenance of police services?

MOA Response: No financial resources will be allocated, if that term is defined as tax revenues, post-transition. The newly-formed Chugach Regional Borough should establish standalone revenue sources to fund its own police services.

- In the event of resource reallocation or potential grant applications, how will resources be distributed to support police services? Are there contingency plans for managing funding gaps or shortfalls?

MOA Response: No resource reallocations should be anticipated, if that term is defined as tax revenues or grant awards, post-transition (unless the grant award is specifically awarded for the Chugiak / Eagle River community). The newly-formed Chugach Regional Borough should establish standalone revenue sources to fund its own police services.

- How should the transition plan address personnel requirements, including staffing levels, recruitment practices, and any changes needed to meet community demands in Chugiak-Eagle River?

MOA Response: The newly-formed Chugach Regional Borough should propose contractual agreements with neighboring communities that are fully staffed, such as Matsu Borough, for its personnel needs, as it staffs up.

5. **Legal and Operational Arrangements for Police Services:**
   - Provide details about specific legal arrangements, contracts, and intergovernmental agreements that will ensure the seamless provision of police services in the Chugach Regional Borough. How will these agreements be structured to maintain uninterrupted service?

MOA Response: The newly-formed Chugach Regional Borough should propose contractual agreements with neighboring communities that are fully staffed, such as Matsu Borough, for its personnel needs, as it staffs up.

- Explain how operational arrangements, such as dispatch systems, emergency response procedures, and equipment procurement, will be adapted to the new governance structure. How will operational efficiency be maintained or enhanced?

MOA Response: please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

- Outline the plans for a transitional period to ensure a smooth transfer of personnel, equipment, records, and other essential resources for police services. What are the key milestones and goals during this transition?

MOA Response: The MOA has not outlined plans for a "transitional period to ensure a smooth transfer of personnel, equipment, records, and other essential resources for police services." Nor has the MOA identified the key milestones and goals for the transition. The MOA encourages Eaglexit to outline such plans and to identify key milestones and goals. Eaglexit should not anticipate the "transfer of personnel", due to severe labor shortages within the Municipality's police ranks. Further, Eaglexit should not anticipate the "transfer of personnel", due to the extreme PERS-related costs that we anticipate with such a reduction in labor force.

6. **Emergency Response Agreements for Police Services:**
    - Describe in more detail the shared or cooperative agreements for emergency response services, particularly in the context of police services. How will these agreements facilitate cross-jurisdictional response and resource sharing?

MOA Response: N/A; Eaglexit should seek cooperative agreements from other providers.

- Elaborate on how these agreements will enhance the coordination of emergency management plans related to law enforcement during critical incidents or natural disasters. What are the specific protocols and coordination mechanisms?

MOA Response: N/A; Eaglexit should seek cooperative agreements from other providers.

- Explain the mechanisms and processes in place for resolving disputes, conflicts, or discrepancies that may arise in the future concerning emergency response and the provision of police services.

MOA Response: N/A; Eaglexit should seek cooperative agreements from other providers.

7. **Community Policing and Crime Prevention:**
    - Provide more information on the strategies that will be employed to actively engage the community in shaping law enforcement priorities, initiatives, and community policing programs. How will these strategies promote community involvement?

MOA Response: Eaglexit should employ its desired strategies to engage the community in shaping law enforcement priorities.

- Explain the initiatives and programs within the Chugach Regional Borough that will actively support crime prevention, community safety, and improved quality of life for residents through police services. How will community partnerships be leveraged?

MOA Response: Eaglexit should define its desired initiatives and programs to actively support crime prevention, community safety, and improved quality of life for residents through police services. Eaglexit should define how community partnerships will be leveraged.

8. **Community Involvement and Participation:**
    - What collaborative initiatives or programs are currently in place between the Anchorage Police Department and the Eagle River-Chugiak Neighborhood Watch to enhance community safety and security?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- How does the Anchorage Police Department share information and updates with the Neighborhood Watch group, and vice versa, to promote effective communication and cooperation?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- What training or educational opportunities are provided to members of the Eagle River-Chugiak Neighborhood Watch by the police department to enhance their ability to contribute to community safety?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- How does the Neighborhood Watch group report suspicious activities or concerns to the Anchorage Police Department, and what communication channels or tools are used for this purpose?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- In what ways do the police department and Neighborhood Watch collaborate on crime prevention efforts, such as neighborhood patrols, safety workshops, or awareness campaigns?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- How is coordination and cooperation between the Anchorage Police Department and the Neighborhood Watch group managed during emergency situations or critical incidents?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- What resources or support does the police department provide to the Neighborhood Watch, and how can the community group request assistance in specific situations?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- Are there mechanisms in place for feedback and evaluation of the collaborative efforts, and how are lessons learned used to enhance the effectiveness of community safety initiatives?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- How does the police department actively engage with the broader community to encourage participation in the Neighborhood Watch program and promote a sense of shared responsibility for safety?

MOA Response: Please see:

https://www.anchoragepolice.com/cap

- How does the Anchorage Police Department use data and insights from the Neighborhood Watch group to identify local crime trends and address emerging security issues?

MOA Response: Please see:

https://www.anchoragepolice.com/cap

- In what ways does the collaboration between the police department and the Neighborhood Watch empower community members to take an active role in maintaining their neighborhood's safety?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

- How do the police department and the Neighborhood Watch group work together to raise public awareness about the importance of community involvement in crime prevention and public safety?

MOA Response: Please consult with the Eagle River-Chugiak Neighborhood Watch.

Parks and Recreation

1. **Transition Plan for Parks and Recreation Services:**
    - Can Eaglexit request data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: Please see earlier response to this question.

2. **Impact on the Municipality of Anchorage:**
    - How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's parks and recreation services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: The Chugach Regional Borough would be responsible for managing, administering, and funding (through approved budgets) its parks on a go-forward basis. The Chugach Regional Borough shall be responsible for establishing a new governance model for its Parks & Recreation services.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of parks and recreation services within Chugiak-Eagle River during and after the transition?

MOA Response: The Municipality suggests Eaglexit familiarize itself with the Chugiak Eagle River Parks & Recreation budget, which is available on-line for public viewing. Further, the Municipality proposes Eaglexit familiarize itself with Parks & Recreation operations by viewing the Parks & Rec website, which is also available on-line to the public.

Budget information:

https://www.muni.org/Departments/budget/Pages/default.aspx

Parks & Rec website:

https://www.muni.org/Departments/parks/Pages/default.aspx

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of parks and recreation services resources and funds?

MOA Response: Eagle River and Chugiak participate fully in the Chugiak Eagle River Parks & Recreation mill rate. Therefore, an "equitable distribution of parks and recreation services, resources, and funds" is appropriate. See 2023 mill rate, below.

Mill Levy by Tax District - 2023: AO 2023-40 (S) for GG and AO 2023-41 (S) for ASD

	Tax District	101 103 107 Area wide	131 104 Fire	151 152 Police	161 162 Parks & Rec	141 105 Roads & Drainage	106 Girdwood Valley Levy	118, 119, 121, 122, 149 Various Rural Road Service Areas	Levy w/o ASD, ERSL, & LRSAs	129 Eagle River Street Lights Service Areas	Various Limited Road Service Areas	Levy w/o ASD	School District (ASD)	Total Levy	Tax District
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Hillside	2	0.04	2.47	3.72	0.75	-	-	-	6.98	-	-	6.98	7.17	14.15	2
Spenard	3	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	3
Girdwood Valley	4	0.04	-	-	-	-	5.35	-	5.39	-	-	5.39	7.17	12.56	4
Glen Alps SA w/o Fire	5	0.04	-	3.72	-	2.75	-	-	6.51	-	-	6.51	7.17	13.68	5
Spenard w/o Building Safety	8	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	8
Stuckagain Heights w/o Parks & Rec	9	0.04	2.47	3.72	-	-	-	-	6.23	-	1.25	7.48	7.17	14.65	9
Eagle River	10	0.04	2.47	3.72	1.05	-	-	2.00	9.28	-	-	9.28	7.17	16.45	10
Municipal Landfill w/o ERPRSA	11	0.04	2.47	3.72	-	-	-	-	6.23	-	-	6.23	7.17	13.40	11
Canyon Road (Glen Alps SA)	12	0.04	2.47	3.72	0.75	2.75	-	-	9.73	-	-	9.73	7.17	16.90	12
Muni/Outside Bowl w/o APD (w Turnagain Arm Police)	15	0.04	-	0.20	-	-	-	-	0.24	-	-	0.24	7.17	7.41	15
Muni/Outside Bowl with Police	16	0.04	-	3.72	-	-	-	-	3.76	-	-	3.76	7.17	10.93	16
Upper OMalley LRSA	19	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.00	8.98	7.17	16.15	19
Talus West LRSA	20	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	20
Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA	21	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.50	9.48	7.17	16.65	21
Chugiak Fire Service Area	22	0.04	1.00	3.72	1.05	-	-	2.00	7.81	-	-	7.81	7.17	14.98	22
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA	23	0.04	2.47	3.72	-	-	-	-	6.23	-	2.50	8.73	7.17	15.90	23
Birch Tree/Elmore LRSA	28	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	28
Eagle River Valley RRSA w/no Fire	30	0.04	-	3.72	1.05	-	-	2.00	6.81	-	-	6.81	7.17	13.98	30
South Goldenview Area RRSA	31	0.04	2.47	3.72	0.75	-	-	1.80	8.78	-	-	8.78	7.17	15.95	31
Section 6/Campbell Airstrip LRSA	32	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.25	8.23	7.17	15.40	32
Skyranch Estates LRSA	33	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	33
Valli-Vue Estates LRSA	34	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.40	8.38	7.17	15.55	34
Mountain Park Estates LRSA	35	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	35
SRW Homeowners LRSA	36	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	36
Mountain Park/Robin Hill LRSA	37	0.04	2.47	3.72	0.75	-	-	1.30	8.28	-	-	8.28	7.17	15.45	37
Raven Woods/Bubbling Brook LRSA	40	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	40
Upper Grover LRSA	41	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	41
View Point	42	0.04	-	3.72	-	2.88	-	-	6.64	-	-	6.64	7.17	13.81	42
Bear Valley LRSA	43	0.04	2.47	3.72	-	-	-	-	6.23	-	1.50	7.73	7.17	14.90	43
Villages Scenic Parkway LRSA	44	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	44
Sequoia Estates LRSA	45	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	45
Eaglewood Contributing RSA	46	0.04	2.47	3.72	1.05	-	-	0.40	7.68	-	-	7.68	7.17	14.85	46
Gateway Contributing RSA	47	0.04	-	3.72	1.05	-	-	0.30	5.11	-	-	5.11	7.17	12.28	47
Paradise Valley South LRSA	48	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	48
ER Street Lights SA w/ Anchorage Fire	50	0.04	2.47	3.72	1.05	-	-	2.00	9.28	0.20	-	9.48	7.17	16.65	50
ER Street Lights SA w/ Chugiak Fire	51	0.04	1.00	3.72	1.05	-	-	2.00	7.81	0.20	-	8.01	7.17	15.18	51
Rockhill LRSA	52	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	52
Totem LRSA	53	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	53
Lakehill LRSA	54	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	54
South Goldenview RRSA w/o Fire	55	0.04	-	3.72	-	-	-	1.80	5.56	-	-	5.56	7.17	12.73	55
Bear Valley LRSA w/o Fire	56	0.04	-	3.72	-	-	-	-	3.76	-	1.50	5.26	7.17	12.43	56
Homestead LRSA	57	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	57
Eagle River Valley RRSA w/ ERSL w/o Fire	58	0.04	-	3.72	1.05	-	-	2.00	6.81	0.20	-	7.01	7.17	14.18	58
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA w/o Fire	59	0.04	-	3.72	-	-	-	-	3.76	-	2.50	6.26	7.17	13.43	59

Note: District 6 was subsumed to District 18; Districts 14 & 18 were subsumed to District 3. District 7 was subsumed to District 2.
District 11 is the Anchorage Landfill. District 36 is new from 2005. April 6, 2010, Mt. Park/Robin Hill LRSA voted to become a RRSA (District 37).
District 57 was created in 2014 for new Homestead LRSA.
District 58 was created in 2016 for Eagle River Valley with Eagle River Street Light Service but without Fire Service.
District 59 was created in 2023 for Rabbit Ck View/Rabbit Ck Hts LRSA without Anchorage Parks and without Anchorage Fire

3. **Inventory of Parks and Recreational Facilities:**
   - What is the comprehensive inventory of parks, recreational facilities, and open spaces within Chugiak-Eagle River, including details about their size, amenities, and condition?

MOA Response: No such list exists. Please research the Parks and Rec website to increase familiarity with Parks & Rec facilities, parks, park sizes, etc.

The Parks and Rec web site can be found at:

https://www.muni.org/Departments/parks/Pages/default.aspx

- How are these assets currently managed and maintained, and what are the existing usage patterns and community needs for these spaces?

MOA Response: Please research the Parks and Rec website to increase familiarity with the Parks & Recreation Department. Additionally, the Eagle River / Chugiak Parks & Recreation Board of Supervisors meets regularly, and attendance at those meetings is another way to increase familiarity with parks & recreation operations.

The Parks and Recreation web site can be found at:

https://www.muni.org/Departments/parks/Pages/default.aspx

4. **Management and Valuation of Assets:**

- How will the transfer of parks and recreation assets be managed and documented, including the legal and logistical aspects of ownership transfer?

MOA Response: At this time, a transfer plan has not been developed. If borough formation progresses, logistical and legal aspects of ownership transfer will be developed. Transfer should be easier for Chugiak Eagle River Parks & Recreation assets than many other asset types, due to the standalone nature of this fund and its historic funding source.

- What methods and criteria will be used to assess the value of these assets, taking into account factors like property value, infrastructure, and community significance?

MOA Response: The Municipality follows generally accepted accounting principle, and there is no budget to undertake valuations of the city's parks. If Eaglexit desires that Chugiak Eagle River Parks & Recreation assets be valued, it should perform valuations at its expense.

- Will there be the potential for any shared or jointly-owned recreational assets that require special agreements or valuations between the Chugach Regional Borough and the Municipality of Anchorage?

MOA Response: 1) The Municipality does not anticipate any valuations in connection with the creation of the Chugach Regional Borough. 2) The Municipality does not anticipate jointly-owned recreational assets, and notes that all residents of the future borough already have a history of fully funding their park operations. If Eaglexit believes certain Parks & Rec assets should be jointly owned post-transition, please provide details to the Municipality.

5. **Budgetary and Financial Framework:**

   - What is the proposed budgetary framework for parks and recreation services within the Chugach Regional Borough, and how will it accommodate the financial needs of these services?

MOA Response: There is no proposed budgetary framework for parks and recreation services within any Chugach Regional Borough; it is up to the proponents of any new borough to propose and implement their own budgetary framework(s).

   - How will funding for parks and recreation be allocated, and what revenue sources, such as taxes, user fees, or grants, will be utilized to support these services?

MOA Response: After any transition, it will be up to a newly-formed borough to fund its own parks and recreation services in their entirety and to determine the revenue sources in support of those parks and recreation services. One possible option would be to maintain the same (existing) Eagle River Chugiak Parks & Recreation mill rate in the short run and then adjust up or down as funding needs became more apparent.

   - Are there any financial considerations specific to the transition, such as the reallocation of funds from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: No reallocation of funds is anticipated. The newly formed borough will fund its parks and recreation services on a go-forward basis using its own internally-generated revenue sources.

Notwithstanding the immediately preceding paragraph, because Eagle River and Chugiak have been full and standalone participants (aka, taxpayers) into the Eagle River Chugiak Parks & Recreation Service Area Fund, it would be appropriate to transfer the assets of that fund (subject to all other liabilities) to the newly formed borough, should a borough be formed.

To see components of that fund, scan Exhibit AA-1 of the most recently-available Detail Statements and Schedules and look for the column "Eagle River Chugiak Parks and Recreation Service Area":

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

6. **Continuation of Recreational Programs and Services:**

- How can the transition plan ensure the uninterrupted provision of recreational programs, services, and activities to residents and communities within Chugiak-Eagle River?

MOA Response: Eaglexit should strategize to ensure the uninterrupted provision of recreational programs, services, and activities to residents and communities within Chugiak-Eagle River.

- What strategies and partnerships will be established to maintain community engagement and access to recreational opportunities?

MOA Response: Eaglexit should establish strategies and partnerships to maintain community engagement and access to recreational opportunities.

- How will communication and outreach efforts inform the public about any changes in recreational programs and service locations?

MOA Response: Any newly-formed borough will need to establish communication and outreach efforts to inform the public about any changes in recreational programs and service locations.

7. **Maintenance and Improvement Plans:**

- What are the maintenance and improvement plans for parks and recreational facilities within the Chugach Regional Borough, and how will these be integrated into the overall budgetary and financial framework?

MOA Response: 1) please obtain and review budget details for the parks and recreation facilities within the Eagle River / Chugiak boundaries to increase familiarity regarding maintenance improvement plans; 2) once any Chugach Regional Borough is formed, it is up to the new borough to integrate maintenance and improvement plans into its budgetary and financial framework.

Budget information is located at:

https://www.muni.org/Departments/budget/Pages/default.aspx

- Will there be a prioritization process for maintenance and improvement projects, taking into account factors like safety, accessibility, and community demand?

MOA Response: The existing prioritization process takes into account factors such as safety, accessibility, and community demand. No new prioritization process is anticipated.

- How can the transition leverage community input and involvement in the planning and enhancement of recreational spaces and programs?

MOA Response: Eaglexit could seek and then leverage local community input and involvement.

Facilities and Equipment Operation and Maintenance:

1. How can the operation and maintenance of parks and recreation facilities and equipment be managed during the transition?

MOA Response: The Municipality manages assets up to the date of transfer, and then the Chugach Regional Borough takes over operation and management beginning on the date of transfer.

2. Are there maintenance schedules and procedures in place to ensure the safety and functionality of recreational facilities and equipment?

MOA Response: Yes

3. What mechanisms will be employed to address equipment breakdowns, facility repairs, or maintenance needs to minimize service disruptions?

MOA Response: the Chugach Borough can employ whatever mechanisms it desires to address equipment breakdowns, facility repairs, and/or maintenance needs to minimize service disruptions.

4. Are there plans for equipment upgrades or replacements to improve the quality and accessibility of recreational services during the transition?

MOA Response: There are no special plans associated with any transition. The newly formed borough is welcome to upgrade and/or replace equipment, post-transition, to improve the quality and/or accessibility of recreational services, at its option.

5. How can the training and certification of facility and equipment operators and maintenance personnel be coordinated to ensure competency and safety standards are upheld?

MOA Response: There are certain certified positions within the two Parks and Recreation departments, including but not limited to:

- *Certified arborist, and*
- *CPR, and*
- *Lifeguards, and*
- *Landscape architect, and*
- *Civil engineer, and*
- *State DEC-certified pesticide applicators*

Chugiak Eagle River Parks and Recreation may wish to compare its staffing to the above list and determine if any of the above positions should be added to the Chugiak Eagle River Parks and Recreation team, post-exit, and/or must be maintained at all times.

Inventory Management:

1. What is the inventory of parks, recreational facilities, and equipment assets within Chugiak-Eagle River, and how will this inventory be managed and valued during the transition?

MOA Response: No valuation of assets located within Chugiak-Eagle River will be conducted; the MOA does not have any budget for asset valuation. Asset management will be no different during the transition than current asset management practices.

2. How can the transfer of recreational assets be documented, including their specifications and conditions, to ensure accurate valuation and continued maintenance?

MOA Response: 1) As mentioned above, no valuation of assets located within Chugiak-Eagle River will be conducted; the MOA does not have any budget for asset valuation. The MOA will not assume responsibility for condition reporting on any assets located within Chugiak-Eagle River, nor will the MOA be responsible for maintaining any asset in a particular condition while any transition progresses.

3. Are there measures in place to address any discrepancies or missing inventory items, and how will they be resolved?

MOA Response: No.

Public-Private Contracts and Contracting:

1. Are there existing public-private contracts for parks and recreation services within Chugiak-Eagle River, and how will these contracts be managed during the transition?

MOA Response: Anchorage Parks & Recreation has approximately 20 cooperative use agreements, including but not limited to such activities as: Little Leage, motor cross, swim activities, Nordic Ski activities, etc. Chugiak Eagle River Parks & Recreation currently has no cooperative use agreements but might consider having such agreements in place when a transition occurs. Any existing public-private contracts may not be subject to assignment.

2. How will the transfer or renegotiation of existing contracts impact the cost, quality, and continuity of parks and recreation services?

MOA Response: See immediately preceding Q & A. Any existing public-private contracts may not be subject to assignment. Further, the MOA cannot forecast how the transfer or renegotiation of *existing contracts - if such transfer or renegotiation (or assignment) is possible - would impact the cost, quality, and/or continuity of services.*

3. What provisions are in place to ensure that private contractors continue to meet agreed-upon service levels and standards during the transition?

MOA Response: See earlier Q & As. Existing contractors are under no obligation to assign their existing contracts to a new party (particularly the Chugach Regional Borough, a new entity without a credit history). No provisions are in place to ensure any private contractors continue to meet agreed upon service levels, post-transition, for a transition that might or might not occur, at a date that has not yet been determined.

4. Are there opportunities to optimize or reconfigure existing contracts to enhance the delivery of recreational services?

MOA Response: See earlier Q & A. Further, contractors are under no obligation to assign their existing contracts to a new party (particularly the Chugach Regional Borough, a new entity without a credit history).

5. How will the solicitation and awarding of new contracts for parks and recreation services be managed to ensure transparency, efficiency, and compliance with legal requirements?

MOA Response: It will be up to the Chugach Regional Borough to manage the solicitation and awarding of new contracts to ensure transparency, efficiency, and compliance with legal requirements.

Personnel:

1. What is the current workforce responsible for parks and recreation services in Chugiak-Eagle River, and how will their roles and responsibilities be integrated into the Chugach Regional Borough's administration?

MOA Response: Approximately 25 to 30 employees support Chugiak Eagle River Parks and Recreation. Of these employees, about 14 are regular employees and the balance are seasonal employees.

Note the MOA Parks & Recreation Director PCN is allocated to Anchorage Parks and Recreation, Chugiak Eagle River Parks and Recreation, some Girdwood park activities, and the Anchorage cemetery which is an areawide function. Therefore, post-transfer, Chugiak Eagle River Parks and Recreation will need to hire a department director.

Note also if the existing Chugiak Eagle River Parks and Recreation staff is transferred to the new borough, the new borough shall be responsible for any and all PERS-related liabilities (including funding unfunded past service cost liabilities) associated with the personnel change.

2. How will the transition address employment contracts, benefits, and compensation for personnel working in parks and recreation services?

MOA Response: The new borough would hire staff with a compensation package, including a benefit package designed by the borough. See discussion above about existing staff within Chugiak Eagle River Parks and Recreation.

3. Are there opportunities for professional development, training, or reassignment for personnel to enhance their qualifications and meet the evolving needs of recreational facilities?

MOA Response: Yes.

4. What strategies will be employed to ensure that personnel, including instructors, coaches, lifeguards, and maintenance staff, are well-equipped to provide high-quality services and safety during the transition?

MOA Response: 1) Eaglexit could consider contracting with licensed private provider(s) such as Swim America to provide services during the transition. 2) Eaglexit could design and implement a pay and benefits package designed to recruit and retain personnel, including instructors, coaches, lifeguards, and maintenance staff, who are well-equipped to provide high-quality services and safety during and beyond any transition.

5. How will the transition plan address workforce continuity, including the retention of experienced and skilled personnel, to minimize disruptions and ensure the continued delivery of recreation programs and services?

MOA Response: Eaglexit should design and implement its workforce continuity plan for its transition. To retain experienced and skilled personnel, to minimize disruptions and ensure the continued delivery of recreation programs and services, Eaglexit could design and implement an adequate pay and benefits package.

6. Will there be any adjustments to staffing levels, hiring, or recruiting practices for parks and recreation services to meet community demands and optimize efficiency?

MOA Response: If the borough implements adjustments, yes.

7. What plans are in place to address any labor union or collective bargaining agreements related to parks and recreation personnel during the transition?

MOA Response: None. The Municipality cannot predict whether a transition will occur and if it does, when the transition will occur. Further, the Municipality does not anticipate attempting to negotiate provisions in any of its collective bargaining agreements relating to the transition, due to 1) potential PERS liabilities related to the transfer of any personnel and 2) the difficulty in encouraging any union to agree to such a concept, given the prospective borough has no credit history and no articulated benefit package that it can offer to represented employees.

8. How will personnel be informed about and engaged in the transition process, and what mechanisms will be in place to address their concerns and feedback?

MOA Response: N/A. At this time, any transition including an associated date is not defined.

Municipal Administration and Management

1. **Transition Plan for Municipal Administration and Management Services:**

    - Can Eaglexit request data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: See prior response to this question.

2. **Impact on the Municipality of Anchorage:**

    - How might the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's municipal administration and management services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: Unknown at this time.

    - What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of municipal administration and management services within Chugiak-Eagle River during and after the transition?

MOA Response: Unknown at this time.

    - Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of municipal administration and management services resources and funds?

MOA Response: The MOA lacks surplus administration and management services to distribute any excess services to an external third party such as a neighboring borough.

Distribution of funds is highly contingent upon the nature of the asset in question. For instance:

1) *The future borough should receive a to-be determined share of any general government (net) asset all if its taxpayers have participated in creating, such as the Eagle River Chugiak Senior Center (this is an "areawide" asset, and all taxpayers participate in the areawide mill rate)*
2) *The future borough should receive a to-be determined, reduced share of any general government (net) asset its taxpayers participated in funding at mixed funding rates, such as Fire:*
    a. *Some Eagle River residents fully participate in funding fire operations (example: Tax District #10)*
    b. *Some residents fund fire operations at a reduced rate with a standalone fund (example: Tax District #22)*
    c. *Some residents do not fund fire operations (example: Tax District #58)*
3) *To complicate the math, the future borough should participate in outstanding general government liabilities, including "off balance sheet" liabilities such as the SAP debt and the Workers' Comp and General Liability deficit.*
4) *It is possible that #3 outweighs the sum of #2 and #1.*

City Manager's Office:

1. What functions and responsibilities currently fall under the City Manager's Office, and how will these be transitioned to the Chugach Regional Borough's structure?

MOA Response: The MOA lacks surplus administration and management services to distribute any excess services to a third party.

2. Are there any ongoing projects, contracts, or initiatives managed by the City Manager's Office that need to be accounted for during the transition?

MOA Response: Possibly. The answer depends upon when the actual transition, if any, takes place.

3. How will administrative and managerial roles be transferred, and what considerations are necessary for staffing and resources?

MOA Response: The MOA lacks surplus administration and management services to distribute any excess services to a third party.

City Clerk's Office:

4. What are the core duties and functions of the City Clerk's Office, and how will these be smoothly integrated into the Chugach Regional Borough's administration?

MOA Response: the MOA lacks surplus administration and management services to distribute any excess services to a third party.

5. How will records management, including public records, be transferred, and what strategies will be employed to ensure public access to essential documents?

MOA Response: Any appropriate records would be transmitted using the most efficient means (i.e., email, hard copy, etc.). The Chugach Regional Borough can establish strategies to ensure public access to essential documents.

6. How will election administration be maintained, including voter registration and election procedures?

MOA Response: MOA election administration practices will continue without change. The Chugach Regional Borough will need to establish election administration practices.

7. Per the MOA's GIS team, please provide the metes and bounds description for the MOA's Assembly District 2.

MOA Response: please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

8. Per the MOA's GIS team, please provide the metes and bounds description for the following:
   a. MOA's tax district 10, Eagle River,
   b. MOA's tax district 11, Eagle River Landfill,
   c. MOA's tax district 22, Chugiak,
   d. MOA's tax district 30, Eagle River Valley,
   e. MOA's tax district 46, Eaglewood Cont. RSA.
   f. MOA's tax district 47, Gateway Cont, RSA,
   g. MOA's tax district 50, Eagle River Street Lights,
   h. MOA's tax district 51, Eagle River Street Lights/Chugiak Fire,
   i. MOA's tax district 58, Eagle River Street Lights without Fire.

MOA Response: please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Animal Control Services:

9. How are animal control services currently provided in Chugiak-Eagle River, and how will these services be continued during and after the transition?

MOA Response: Animal control is managed out of Animal Care & Control out of the Anchorage facility. Please see additional information at the Municipality's website:

https://www.muni.org/Departments/health/Admin/animal_control/pages/default.aspx

10. What contractual agreements or partnerships with animal shelters or rescue organizations exist, and how will they be addressed during the transition?

MOA Response: 1) Animal Licensing and Placement Services, LLC, a subsidiary of Denali Universal Services, LLC, manages Anchorage's animal control functions under the supervision of the Anchorage Health Department. Exceptions to this include animal cruelty and neglect cases; in such cases, the vendor collects evidence and holds the animals pending prosecution, but the Anchorage Police Department and the Municipal Attorney's office (the MOA prosecutor) pursue prosecution of cruelty and neglect cases. 2) Effective post-transition, the new borough will need to establish animal control services including pursuit and prosecution of animal cruelty and neglect cases. Of specific note is that the Eagle River / Chugiak area has a higher ratio of dog mushers and equestrians than the rest of the Municipality, which require additional reviews to ensure protection of waterways, etc.

11. What are the mechanisms in place to ensure the welfare of animals and public safety during the transition?

MOA Response: Status quo operations through any transition date.

Land Use and Zoning:

12. What are the existing land use and zoning regulations for Chugiak-Eagle River, and how will these be incorporated into the Chugach Regional Borough's land use framework?

MOA Response: Land use and zoning regulations are available for review on-line. The newly-formed Chugach Regional Borough could adopt (i.e., incorporate) the regulations, or could adopt different regulations.

13. Are there any pending land use or zoning cases, development projects, or permits that need to be addressed during the transition?

MOA Response: Yes, however, active topics are constantly shifting.

14. How will the transition impact the planning functions, including comprehensive land use planning and zoning enforcement?

MOA Response: The newly-formed Chugach Regional Borough could adopt (i.e., incorporate) the existing comprehensive plan and zoning rules or alternatively, may adopt an alternative comprehensive plan and zoning rules.

Public Library Services:

15. How are public library services currently provided in Chugiak-Eagle River, and what plans are in place to ensure the continuity of these services during the transition?

MOA Response: 1) Please increase familiarity with the Municipality's annual operating budget, which is available on-line for review, including the library budget. 2) It is up to Eaglexit to craft plans to ensure continuity of library services during any transition to a borough, including required funding thereof. Additional library information can be found at:

https://www.anchoragelibrary.org/

16. What considerations pertain to library facilities, including maintenance, staffing, collections, and programming?

MOA Response: All of the above, and more. The MOA encourages Eaglexit to review the Municipality's annual (library) budget and to examine the library's website, to increase familiarity with library operations.

Library budget information can be found at:

https://www.muni.org/Departments/budget/Pages/default.aspx

Of particular interest to the topic of Eaglexit, Eagle River Library staff are assigned to the Eagle River library. However, because the Municipality operates a system of libraries, staff are used to help cover other locations when staffing is low. Eagle River has been both the beneficiary of this and lender of staff at times. Post-exit, this mutually-beneficial relationship would likely cease due in part to different employer ID numbers, different employers, etc.

17. Are there any existing library-related agreements, partnerships, or funding sources that require attention during the transition?

MOA Response: Yes. Another way to increase familiarity with library operations is to review Assembly (passed) library legislation. In particular, Friends of Library is a significant source of grant funding for the Anchorage library system, including the Eagle River library. On occasion, the Anchorage Library Foundation also provides grant funding. Additionally, Eagle River is part of a larger Public Library Assistance (PLA) Grant and is part of the PLA Grant for the entire library *system. That grant is given with a certain amount per location and would be eligible to follow the library. It is currently around $7,000 per year and requires an operating budget match.*

Operationally, the Eagle River library has a small internal program room for programs such as Storytime, and larger programs use a room in the hallway that is managed by Parks and Recreation.

Property Tax Assessment and Collection:

18. How are property tax assessment and collection functions currently managed, and what steps are required to transition these functions to the Chugach Regional Borough?

MOA Response: One way to increase familiarity with property tax assessment and collection functions would be to watch the Anchorage Assessor's worksession, which is available on-line. The borough will need to: a) hire and train staff, b) purchase a fleet of vehicles for the staff's use, c) purchase, program and install CAMA software, d) pass legislation concerning this function, e) enter a starting database for all properties located in the borough, etc.

19. Are there any pending property tax assessments, appeals, or exemptions that need to be addressed during the transition?

MOA Response: Pending property tax assessments will be resolved by the time the transition takes place, due to the long lead time required to address the very complex legal issues associated with retiring the Municipality's GO bonds. There likely will be new items in existence in the future.

20. How might the transition ensure revenue collection and tax obligations are managed seamlessly to protect both municipalities' financial stability?

MOA Response: The Chugach Borough should recruit and hire a strong executive and management team long before the time the first revenue collection cycle is anticipated to begin.

Treasury and Finance:

21. What is the current treasury and finance structure for Chugiak-Eagle River, and how will the transition address revenue collection, fund management, and financial reporting?

MOA Response: Chugiak-Eagle River does not have its own "treasury and finance structure." Instead, Treasury and finance functions are headquartered at MOA (City Hall). The borough should begin strategizing for revenue collection, fund management, and financial reporting.

22. Are there investments, financial assets, or debt obligations that require careful handling during the transfer?

MOA response: Yes:

- *All GO bonds will need to be repaid in full, with all associated transaction costs paid at the time of the transaction by Eagle River / Chugiak residents ("Option 1").*
- *A detailed calculation must be performed to determine the borough's share of the MOA's unrestricted fund balance / (deficit). See ACFR page 26, government activities. If unrestricted fund balance, this represents the Borough's share of "equity". The calculation must take into account at least two factors:*
  - *Borough residents have not had a consistently level percentage of residents compared to "Anchorage" residents. In other words, using today's relative pro-rata population would overstate the Borough's share of equity; and*
  - *Borough residents have historically paid less than average effective tax rates than all other tax groups except Girdwood / Turnagain Arm, both when expressed in terms of gross $ and when expressed in terms of effective tax rates (i.e., mill rates adjusted for exemptions). In other words, even if populations had been identical, other areas of Anchorage had more tax "skin in the game" that contributed to equity.*

- *If asset transfers of Parks & Rec, Fire, and other transfers occur, the calculation in bullet point #2 will require appropriate adjustments, either up or down.*

23. How will financial records and reporting be transitioned to maintain transparency and accountability?

MOA response: The MOA will provide the borough with all financial records belonging to the borough.

Legal Services:

24. What legal services are currently provided for Chugiak-Eagle River, and how will the transition manage legal representation, contracts, and compliance matters?

MOA response: 1) No special legal services are currently provided for Chugiak-Eagle River. 2) The MOA does not have surplus capacity to manage legal representation, contracts, and compliance matters for a 3rd party entity; the borough should strive to staff up to support its own legal needs beginning on any transition date.

25. How will existing legal agreements, pending litigations, and legal responsibilities be transitioned without adverse consequences for either municipality?

MOA response: Any items that are the property of the new borough shall be transferred to the new borough using the most practical method (email, hard copy, etc.) possible at the appropriate time.

26. Are there any legal or regulatory requirements specific to the transfer of legal services that need to be addressed?

MOA response: The Municipality does not anticipate the transfer of legal services.

Facilities and Equipment Operation and Maintenance:

1. What facilities and equipment are owned and operated by the Municipality of Anchorage in Chugiak-Eagle River, and how are they currently maintained and serviced?

MOA Response: Because of the organizational structure of the Municipality of Anchorage, a single list of "facilities and equipment…. owned and operated by the Municipality of Anchorage in Chugiak-Eagle River" does not exist.

2. Are there documented maintenance schedules, procedures, and responsible parties for municipal facilities and equipment in the area?

MOA Response: The Municipality maintains schedules and procedures for its municipal facilities and equipment.

3. How is the maintenance and operation of these facilities and equipment funded, and what is the budgetary framework for ongoing service delivery?

MOA Response: Please see MOA operating budgets for information on facility and equipment funding and budgetary frameworks. These can be found at:

https://www.muni.org/Departments/budget/Pages/default.aspx

4. Are there established maintenance and operation statistics and performance indicators that inform resource allocation and service priorities?

MOA Response: Please see the Municipal department PVRs that are posted quarterly on-line.

5. What challenges or issues related to facilities and equipment operation and maintenance have been identified, and how are they currently addressed?

MOA Response: Please review budget worksessions and Budget Advisory Commission worksessions that discuss challenges and issues related to facilities and equipment operations and maintenance.

6. What scheduling or service delivery challenges may arise during the transition, and what strategies will be employed to minimize disruptions?

MOA Response: The Municipality is not able to predict what scheduling or service delivery challenges may arise during any transition.

Inventory of Municipal Assets:

7. How is the inventory of municipal assets, including facilities, equipment, and infrastructure, currently managed and documented?

MOA Response: Please review budget worksessions and Budget Advisory Commission worksessions on these topics. Note there is significant information about municipal assets, facilities, infrastructure, and equipment available on-line (including at the component unit, enterprise fund, and utility level); the Municipality encourages Eaglexit to utilize the significant informational resources that are already currently available.

8. What processes and systems are in place for recording, tracking, and cataloging municipal assets in Chugiak-Eagle River?

MOA Response: The same processes and systems that are in place for recording, tracking, and cataloging municipal assets throughout the entire Municipality.

9. Are there comprehensive records of asset specifications, maintenance history, and ownership documents, and how are these maintained?

MOA Response: No, comprehensive (meaning single) records generally do not exist, due to the Municipality's organizational structure.

10. What technologies or software systems are utilized for inventory management and asset tracking, and will these systems be transferred or adapted during the transition?

MOA Response: Multiple systems are used, due to the Municipality's organizational structure. It is not anticipated that systems will be transferred, due to licensing restrictions.

Public-Private Contracts and Contracting:

11. Are there existing public-private contracts or agreements related to municipal services, facilities management, or public works in Chugiak-Eagle River?

MOA Response: Yes.

12. How will the transition address public-private contracts and contracting agreements in terms of ownership, responsibilities, and contractual obligations?

MOA Response: Contracts may not be assignable; each contract will require evaluation and analysis.

13. Are there established mechanisms for transitioning or re-negotiating existing contracts to ensure continuity of service and compliance with the new governance structure?

MOA Response: No. Each contract will require independent evaluation and analysis.

14. How are contract performance, payments, and quality assurance currently managed, and how will these aspects be addressed during the transition?

MOA Response: 1) By the department head in charge of the contract, 2) The new borough will be responsible for contract performance, payments, and quality assurance effective on the transition date.

15. What safeguards and contingency plans are in place to mitigate potential issues related to public-private contracts, including disputes, non-performance, or changes in service providers?

MOA Response: The terms of the executed contract.

Merrill Field Airport

- Can Eaglexit request the data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: See prior response to this question

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's Merrill Field Airport in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: N/A, The MOA does not assume any impacts to Merrill Field as a result of any transition.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of Merrill Field Airport within Chugiak-Eagle River during and after the transition?

MOA Response: N/A, The MOA does not assume any impacts to Merrill Field as a result of any transition.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of Merrill Field Airport resources and funds?

MOA Response: N/A, The MOA does not assume any impacts to Merrill Field as a result of any transition.

1. Revenue Sources and Enterprise Funds:

- What are the primary revenue sources for Merrill Field Airport, including sources like landing fees, fuel sales, lease payments, and other fees or charges?

MOA Response: Grant revenues, landing fees, fuel sales, lease payments, and other fees or charges.

- How are enterprise funds managed to support airport operations and infrastructure maintenance?

MOA Response: Conceptually, enterprise funds should support themselves through internally generated revenue (aka, fees, etc.)

- How will revenue generation and enterprise funds be maintained and managed under the governance of the Chugach Regional Borough?

MOA Response: The MOA does not anticipate a change in governance for existing enterprise funds. If the borough creates new enterprise funds at some time in the future, revenue generation for those future enterprise funds will be as designed by the borough.

2. Financial Agreements and Contracts:

- Are there any financial agreements or contracts in place with vendors, suppliers, or service providers?

MOA Response: Yes.

- How can the transition address these financial agreements, payment terms, and contractual obligations during and after the transfer?

MOA Response: N/A, The MOA does not assume any impacts to Merrill Field as a result of any transition.

- Are there provisions for contract assignment or renegotiation if needed?

MOA Response: N/A, The MOA does not assume any impacts to Merrill Field as a result of any transition.

3. Asset Valuation and Maintenance Funds:

- How are assets at Merrill Field valued, and are there maintenance funds or reserve funds set aside for asset preservation and improvements?

MOA Response: Merrill Field follows generally accepted accounting principles (modified accrual basis of accounting).

- Will the transition plan include a valuation of assets, and how will maintenance and capital improvement funds be managed under the Chugach Regional Borough?

MOA Response: No asset valuations are anticipated; the MOA does not have budget to perform asset valuations. The borough can manage its funds as it sees fit, post-cessation.

4. Debt Obligations and Bond Covenants:

- Are there outstanding debts or bonds related to airport projects, infrastructure improvements, or other financial obligations?

MOA Response: Generally, no.

- How can the transition manage these debt obligations and bond covenants to ensure compliance and minimize any impact on credit reputation or bond ratings?

MOA Response: See prior question.

5. Lease Agreements and Leasehold Revenues:

- How much revenue is generated through lease agreements with commercial leaseholders at Merrill Field?

MOA Response: Please review Merrill Field's financial statements which are available from the Detail Statements and from the annual ACFRs.

Detail Statements and ACFRs are available at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

- How can the transition address these lease agreements, including revenue distribution, lease renewal or transfer, and rent adjustments?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

6. Legal Framework and Compliance:

- Are there legal instruments that govern the financial aspects of airport operations, including financial regulations, procurement rules, or accounting standards?

MOA Response: Yes

- How can the transition ensure legal compliance and adapt financial practices to the legal framework of the Chugach Regional Borough?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

7. Audit and Financial Reporting:

- How are financial audits and reporting conducted for Merrill Field, and are there specific accounting practices or standards followed?

MOA Response: See answer for Anchorage Water and Wastewater Utility.

- How can the transition manage financial audits, reporting requirements, and financial transparency under the new governance structure?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

8. Business Agreements and Revenue-Sharing Arrangements:

- Are there revenue-sharing agreements or business arrangements with aviation-related businesses operating at the airport?

MOA Response: Yes

- How can these agreements be addressed during the transition, including revenue distribution and contractual obligations?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

9. Emergency Funds and Contingency Planning:

- Are there established emergency funds or contingency plans in case of financial challenges or unexpected expenses?

MOA Response: Yes.

- How can the transition address financial contingencies and ensure the financial stability of airport operations?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

10. Public and Stakeholder Communication:

- How will revenue changes, fee adjustments, or financial decisions be communicated to the public, leaseholders, and stakeholders?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

- What strategies will be employed to maintain transparency and address any concerns or inquiries related to financial matters?

MOA Response: N/A, the MOA does not anticipate that the creation of the borough will impact airport operations.

11. Lease Agreements and Tenant Relationships:

- What lease agreements are in place for the airport's commercial leaseholders and aviation-related businesses?

MOA Response: the airport has many lease agreements in place (see answer to next question).

- How can the transition address these lease agreements, including terms, rental rates, and responsibilities of the leaseholders?

MOA Response: N/A, the MOA does not anticipate that the creation of the borough will impact airport operations.

- Are there mechanisms for renegotiation or potential transfer of leases to the Chugach Regional Borough while ensuring uninterrupted operations?

MOA Response: 1) Generally, no (i.e., no clause allowing transferability). 2) N/A, the MOA does not anticipate that the creation of the borough will impact airport operations.

12. Ownership and Easements:

- Are there any ownership agreements or easements that affect the use of Merrill Field's land, runways, or infrastructure?

MOA Response: Yes

- How can the transition manage the transfer of ownership or easement rights to the Chugach Regional Borough while adhering to legal requirements?

MOA Response: MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

13. Airport Use Regulations and Compliance:

- What legal instruments, including airport use regulations, operating agreements, and environmental permits, govern Merrill Field's operations?

MOA Response: Many items. Please review DOT FAA guidelines, federal laws, and state laws.

- How can the transition ensure compliance with federal, state, and local laws and regulations for airport operations during the transfer?

MOA Response: MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

14. Air Traffic Control Tower Operations:

- How are air traffic control services provided at Merrill Field, and are there any agreements or contracts with the Federal Aviation Administration (FAA)?

MOA Response: yes, there are many existing contracts with the FAA and Merrill Field.

- How can the transition ensure the continuous provision of air traffic control services, and will there be any negotiations or agreements with the FAA or other relevant agencies?

MOA Response: MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

15. Financial Instruments and Agreements:

- Are there financial instruments, such as loans, grants, or financial arrangements, in place to support airport operations or infrastructure projects?

MOA Response: Yes.

- How can the transition review and potentially adjust these financial instruments to ensure ongoing financial stability and support for the Chugach Regional Borough?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

16. Labor Contracts and Workforce Management:

- Are there labor contracts in place with airport staff, including air traffic controllers, maintenance personnel, and administrative employees?

MOA Response: Yes.

- How can the transition address labor contracts, workforce management, and labor relations during the transfer?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

17. Dispute Resolution Mechanisms:

- Are there established mechanisms for dispute resolution in contracts, agreements, or regulations related to airport operations?

MOA Response: Yes.

- How can the transition handle disputes or conflicts that may arise, and what legal procedures will be followed for resolution?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

18. Environmental Impact and Compliance:

- Are there environmental impact assessments or studies related to airport activities, and how is environmental compliance ensured?

MOA Response: Yes

- How can the transition address environmental considerations and maintain compliance with environmental laws during and after the transfer?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

19. Communication and Public Engagement:

- How will stakeholders, including leaseholders, aviation businesses, tenants, and the public, be informed and engaged regarding changes to legal instruments and agreements during the transition?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

- What communication strategies will be employed to ensure transparency and address concerns?

MOA Response: N/A, The MOA does not anticipate that any transition will impact Merrill Field.

Fire

- Can Eaglexit request the data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: See earlier responses to this question.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's fire and EMS services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: impacts will be significant. Eaglexit should anticipate no "budget allocation" from the Municipality following transition and should plan on providing its own revenue sources.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of fire and EMS services within Chugiak-Eagle River during and after the transition?

MOA Response: Higher taxes to Eagle River and Chugiak residents, particularly Chugiak residents and residents of tax districts that currently pay reduced or no taxes for fire protection services.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of fire and EMS services resources and funds?

MOA Response: Eaglexit should prepare for higher taxes for its residents. Eaglexit should not anticipate an "equitable distribution" of EMS services, resources, and funds, as Chugiak residents *have not been paying Anchorage Fire tax mills and therefore, have no valid claim on Anchorage Fire Department EMS services, resources, and funds. Similarly, residents of tax districts that do not pay fire taxes have no claim on Anchorage Fire Department EMS services, resources, and funds.*

Professional Fire Service:

1. Jurisdiction and Service Area for Professional Fire Services:

- What is the current jurisdiction and service area for professional fire services within Chugiak-Eagle River, including the specific neighborhoods and geographical boundaries served?

MOA Response: Please see:

https://www.muni.org/departments/finance/treasury/proptax/documents/tax_district_map_er.pdf

Please also see further discussion, below.

- How are professional fire services currently administered, and what are the operational procedures, command structures, and response protocols in place, especially regarding fire suppression, emergency medical response, and hazardous materials incidents?

MOA Response: Please see:

1) *for Anchorage Fire*

   https://www.muni.org/Departments/Fire/Pages/default.aspx

2) *for Chugiak Fire (note that Chugiak Fire's annual reports are available at this website, including a map of coverage area):*

   https://www.cvfrd.com/

2. Coordination of Professional Fire Service Transfer:

- How can the transition effectively coordinate the transfer of responsibilities for professional fire services from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: The MOA is unsure if an effective, efficient, and safe transfer of responsibilities is possible. Many key questions remain unanswered.

- What specific budgetary considerations are involved in the provision of professional fire services in the Chugach Regional Borough, and how will the financial framework be structured to support these services?

MOA Response:

1) *The Chugiak Fire Service Area is a standalone service area / fund with its own mill rate, balance sheet, and income statement. See "Detail Income Statements", Chugiak Fire Service Area. It is up to Eaglexit to structure a financial framework to support these services, post-transition.*

Detail Income Statements for the Chugiak Fire Service Area (Fund #104) are Located at:

https://www.muni.org/Departments/finance/controller/Pages/CAFR.aspx

2) *The Eagle River portions of any future borough, conversely, have received (and been taxed for) "Anchorage Fire Department" fire services, except for the tax districts within Eagle River / Chugiak that do not tax for fire services.*

The first step in the determination of specific budgetary considerations involved in the provision of professional fire services in any future Chugach Regional Borough is for its residents determine if they prefer either: a) a scaled down, less-expensive level of fire protection (and are willing to assume the human, property, and insurance risks associated with that decision), or b) an "Anchorage Fire Department" level of fire protection, post-transition (and are willing to tax themselves for that level of protection).

- Are there mechanisms in place to address and mitigate any potential funding gaps or shortfalls that may arise during the transition, including the reallocation of resources or potential grant applications?

MOA Response: 1) Eaglexit should not anticipate the Municipality will reallocate its grant applications or its resources to the Chugach Regional Borough, particularly given fire tax history (or lack thereof) from the Chugiak portion of the greater Eagle River / Chugiak area and from the tax districts within the areas of Chugiak and Eagle River that have avoided taxation for fire services. 2) The mechanism to address funding gaps is for the new borough to 1) tax for the services it wishes to provide for its citizens and 2) be prepared on or before the day of transition to purchase adequate fire equipment (fire trucks, paid personnel, etc.) to support its citizens.

3. Legal and Operational Arrangements for Professional Fire Services:

- What legal arrangements, such as contracts, intergovernmental agreements, or mutual aid pacts, are currently established for professional fire services in Chugiak-Eagle River?

MOA Response: A third-party provider is engaged to provide professional fire services (Chugiak area). Please see:

https://www.cvfrd.com/

- What legal arrangements, such as contracts, intergovernmental agreements, or mutual aid pacts, will be established to ensure the seamless provision of volunteer fire services in Chugiak-Eagle River within the Chugach Regional Borough?

MOA Response: It will be important to determine if the existing contract (or successor contract) of the Chugiak area will allow contract assignment from the Municipality to the Chugach Regional Borough. Further, the borough will want to carefully review the contract to ensure it can honor the terms of the contract, should it be assumed. For instance, can the new borough procure adequate insurance to honor the terms of the contract, etc.?

- How may operational arrangements, including dispatch systems, emergency response procedures, staffing, and equipment procurement, be adapted to the new governance structure while maintaining efficient and continuous service delivery for professional fire services?

MOA Response: the MOA cannot respond to this question because it is unfamiliar with "the new governance structure." This question is best asked / answered by Eaglexit representatives.

- Are there well-defined plans for a transitional period to ensure a smooth transfer of personnel, equipment, records, and other resources essential for the delivery of professional fire services in the Chugach Regional Borough?

MOA Responses:

Chugiak Area: 1) the MOA does not know when any transition will occur, 2) the Chugiak Fire Service Area is a volunteer organization, therefore, personnel transfers are not anticipated, 3) the Chugiak Fire Service Area is a standalone fund (#104 and #404) with its own equipment and assets and therefore, it is appropriate to anticipate that equipment, records and other resources owned within this fund would be transferred to the Chugach Regional Borough. Note that any transition is likely several years off. Eagle River / Chugiak residents should consider increasing tax deposits into Fund #104 now, to grow #104's reserve in anticipation of upcoming purchase requirements for fire trucks and the like. Further, as any new borough is formed, residents might wish to evaluate if it makes sense to have a single fire service area in lieu of two.

Eagle River Area, with Fire Mill Rates: 1) the MOA does not know when any transition will occur, 2) if the formation of a borough continues to progress, a complex calculation will be required to determine an allocation of bonded and non-bonded Anchorage fire equipment and records allocable to the new borough. The calculation must carve out the portion of residents who have resided outside of the "Anchorage fire" tax areas (such as districts 22 and 51) and must adjust for all other relevant factors.

Eagle Tax Districts without Fire Mill Rates: 1) the MOA does not know when any transition will occur, 2) if the formation of a borough continues to progress, residents may want to determine, before borough formation, if all residents should assume a single unified tax rate for fire and other services.

4. Emergency Response Agreements for Professional Fire Services:

- Will there be shared or cooperative agreements specifically related to emergency response services between the Chugach Regional Borough and the Municipality of Anchorage, with a focus on professional fire services?

MOA Response: No.

- How will these agreements address issues like cross-jurisdictional response, resource sharing, and the coordination of emergency management plans related to professional fire services during significant incidents, including fires, medical emergencies, and disasters?

MOA Response: N/A. The Chugach Regional Borough should plan to provide fire protection services for its residents.

- Are there established mechanisms for resolving any disputes, conflicts, or discrepancies that may arise in the future concerning emergency response in the context of professional fire services?

MOA Response: N/A. The Chugach Regional Borough should plan to provide fire protection services for its residents.

Volunteer Fire Service:

1. Jurisdiction and Service Area for Volunteer Fire Services:

- What is the current jurisdiction and service area for volunteer fire services within Chugiak-Eagle River, including the specific neighborhoods and geographical boundaries served?

MOA Response: Please see earlier responses to this question.

- How are volunteer fire services currently administered, and what are the operational procedures, command structures, and response protocols in place, particularly regarding fire suppression, emergency medical response, and community engagement?

MOA Response: Please see:

https://www.cvfrd.com/

2. Coordination of Volunteer Fire Service Transfer:

- How can the transition effectively coordinate the transfer of responsibilities for volunteer fire services from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: The MOA is unsure if an effective, efficient, and safe transfer of responsibilities is possible. Many key questions remain unanswered.

- What specific budgetary considerations are involved in the provision of volunteer fire services in the Chugach Regional Borough, and how will the financial framework be structured to support these services?

MOA Response: Eaglexit rather than the Municipality must structure a financial framework to support the borough's fire services. The Municipality recommends that Eaglexit study the need for the purchase of supplementary "hard" assets (i.e., fire trucks and the like) in advance of transition date.

- Are there mechanisms in place to address and mitigate any potential funding gaps or shortfalls that may arise during the transition, including the reallocation of resources or potential grant applications for volunteer fire services?

MOA Response: 1) Eaglexit should not anticipate the Municipality will reallocate its grant applications or its resources to the Chugach Regional Borough, particularly given the fire tax history (or lack thereof) from the Chugiak portion of the (future) borough and the tax districts that have not taxed for fire protection. 2) The mechanism to address funding gaps is for the new borough to i) tax for the services it wishes to provide for its citizens and ii) be prepared on or before the day of transition to purchase adequate fire equipment (fire trucks, etc.) to support it citizens. The citizens of Eagle River might also consider, at the time of formation, if a single, non-volunteer, fire district is worth considering.

3. Legal and Operational Arrangements for Volunteer Fire Services:

- What legal arrangements, such as contracts, intergovernmental agreements, or mutual aid pacts, are currently established for professional fire services in Chugiak-Eagle River?

MOA Response: A third-party provider is engaged to provide professional fire services. Please see:

https://www.cvfrd.com/

- What legal arrangements, such as contracts, intergovernmental agreements, or mutual aid pacts, will be established to ensure the seamless provision of volunteer fire services in Chugiak-Eagle River within the Chugach Regional Borough?

MOA Response: No intergovernmental agreements or "mutual aid pacts" are anticipated. The Chugach Regional Borough should anticipate the need to protect its residents with the tax revenues it generates from its citizens.

- How will operational arrangements, including dispatch systems, emergency response procedures, training, and equipment support, be adapted to the new governance structure while maintaining efficient and continuous service delivery for volunteer fire services?

MOA Response: The MOA is unfamiliar with the borough's "new governance system" and therefore, cannot opine as to how operational arrangements, including dispatch systems, emergency response procedures, training, and equipment support will be adapted while maintaining efficient and continuous service delivery for volunteer fire services.

- Are there well-defined plans for a transitional period to ensure a smooth transfer of personnel, equipment, records, and other resources essential for the delivery of volunteer fire services in the Chugach Regional Borough?

MOA Response: No. 1) the MOA does not know when any transition will occur, 2) the Chugiak Fire Service Area is a volunteer organization, therefore, personnel transfers are not anticipated, 3) the Chugiak Fire Service Area is a self-funded, standalone fund (#104 and #404) with its own equipment and assets and therefore, equipment and records transfers anticipated on transition date for any assets within that fund, 4) for the other parts of Eagle River outside of the Chugiak Fire Service Area, personnel transfers may be extraordinarily costly (based on ML&P experiences) and should not be anticipated.
Note that any transition is likely several years off. Eagle River residents should consider increasing tax deposits into Fund #104 now, to prepare for upcoming purchase requirements for fire trucks and the like. Such actions might need to be via bond propositions if mill rates are capped at 1.00.

4. Emergency Response Agreements for Volunteer Fire Services:

- Will there be shared or cooperative agreements specifically related to emergency response services between the Chugach Regional Borough and the Municipality of Anchorage, with a focus on volunteer fire services?

MOA Response: No.

- How will these agreements address issues like cross-jurisdictional response, resource sharing, and the coordination of emergency management plans related to volunteer fire services during significant incidents, including fires, medical emergencies, and disasters?

MOA Response: N/A, no such agreements are anticipated.

- Are there established mechanisms for resolving any disputes, conflicts, or discrepancies that may arise in the future concerning emergency response in the context of volunteer fire services?

MOA Response: N/A since no agreements are anticipated.

Education

- Can Eaglexit request the data in a specific format or will it be provided in a standardized format? What is that standardized format?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's education services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of education services within Chugiak-Eagle River during and after the transition?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of education services resources and funds?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

1. Status and Governance Structure of Local Schools and Educational Facilities:

- What is the current status and governance structure of local schools, educational facilities, and school districts within Chugiak-Eagle River, including the specific institutions and administrative entities?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- How are educational programs, curriculum, and student services currently administered, and what are the existing mechanisms for decision-making, school board governance, and community involvement?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

2. Shared Educational Resources and Partnerships:

- Are there any shared educational resources, programs, or partnerships in place between local schools and educational institutions in Chugiak-Eagle River and those in other areas, such as the Municipality of Anchorage or neighboring communities?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- How will these shared resources or partnerships be addressed during the transition to ensure their continuity or to make appropriate adjustments to meet the specific needs of Chugiak-Eagle River residents?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

3. Ensuring Uninterrupted Access to Quality Education:

- What proactive measures and contingency plans will be taken to ensure uninterrupted access to quality education for residents of Chugiak-Eagle River during and after the transition?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- How can the transition plan address potential disruptions in educational services, student transportation, and the maintenance of school facilities and resources?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

- What strategies will be employed to engage the community, educators, and stakeholders in shaping the future of education in the Chugach Regional Borough, with a focus on enhancing educational opportunities and outcomes for all students?

MOA Response: Please contact the ASD directly with all "Education" questions. The Municipality is unable to answer these questions on ASD's behalf.

Eagle River Landfill

- Can Eaglexit request the data in a specific format or will it be provided in a standardized format? What is that standardized format?

MOA Response: See earlier responses to this question.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's landfill services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of landfill services within the Chugach Regional Borough during and after the transition?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of landfill services resources and funds?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

1. Asset Valuation and Inventory:

- What is the distribution of ownership of the Landfill?

MOA Response: *the Anchorage Regional Landfill is owned by Solid Waste Services, a Municipality of Anchorage entity comprised of enterprise funds Solid Waste Refuse Utility and Solid Waste Disposal Utility and a Solid Waste Administrative Fund.*

- How are the landfill assets, including the land, infrastructure, and equipment, currently valued?

MOA Response: *the Anchorage Regional Landfill is accounted for under generally accepted accounting principles (modified accrual basis).*

- Will there be an asset inventory and valuation conducted before the transition, and how will asset ownership be transferred to the Chugach Regional Borough?

MOA Response: No asset inventory and asset valuations are anticipated because the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

2. Landfill Operations and Environmental Compliance:

- What are the current operational practices and environmental compliance measures in place at the Anchorage Landfill?

MOA Response: Please review the audited financial statements of Solid Waste Services which discuss these items (in particular, please read the footnotes):

http://www.muni.org/Departments/budget/Documents/Financial%20Statements/2021%20Solid%20Waste%20Services%20Financials.pdf

3. Long-Term Monitoring and Closure Plans:

- Are there long-term monitoring and closure plans for the landfill, including post-closure maintenance and environmental monitoring?

MOA Response: Yes

- How will these plans be transitioned and funded under the new governance structure to ensure environmental protection?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

4. Revenue and Rate Structure:

- What is the current revenue model and rate structure for landfill services, waste disposal fees, and contracts with waste disposal providers?

MOA Response: please review Solid Waste's website for this information.

https://www.muni.org/Departments/SWS/Pages/default.aspx

Additional information can be found by reviewing RCA orders that govern Solid Waste Services:

https://rca.alaska.gov/RCAWeb/home.aspx

- How might the transition address revenue generation, rate-setting, and billing under the new governance structure?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

5. Debt Obligations and Bond Ratings:

- Are there existing debts or bonds related to landfill construction, closure, or environmental remediation?

MOA Response: Yes; please review Solid Waste Services' audited financial statements (including footnotes) for information about existing debt, etc.:

http://www.muni.org/Departments/budget/Documents/Financial%20Statements/2021%20Solid%20Waste%20Services%20Financials.pdf

- How might the transition manage these debt obligations, bond covenants, and ensure compliance to maintain credit reputation and bond ratings?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

6. Contracts and Leases:

- What contracts or lease agreements are currently in place with waste disposal providers, environmental monitoring firms, or other service providers?

MOA Response: Please review Solid Waste Services audited financial statements (including footnotes) for information about leases. Please review the MOA's Assembly site for "passed legislation" for information about Solid Waste Services contracts with service providers, etc.:

http://www.muni.org/Departments/budget/Documents/Financial%20Statements/2021%20Solid%20Waste%20Services%20Financials.pdf

- How might these agreements be addressed during the transition, including contract assignment, renegotiation, or termination if necessary?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

7. Legal Framework and Regulatory Compliance:

- What legal instruments govern landfill operations, waste disposal standards, and environmental compliance?

MOA Response: Please review the Solid Waste Services website and the Solid Waste Services audited financial statements including footnotes to increase familiarity with Solid Waste Services operations:

https://www.muni.org/Departments/SWS/Pages/default.aspx

- and -

http://www.muni.org/Departments/budget/Documents/Financial%20Statements/2021%20Solid%20Waste%20Services%20Financials.pdf

- How might the transition ensure legal compliance, adherence to waste disposal standards, and any necessary regulatory adjustments?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

8. Customer and Stakeholder Engagement:

- How might customer communication, feedback mechanisms, and public engagement be managed during the transition, particularly regarding waste disposal services, fees, and environmental protection?41

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

9. Emergency Response and Environmental Contingency Plans:

- Are there emergency response and contingency plans in place for incidents related to landfill operations, such as environmental spills or fires?

MOA Response: Yes.

- How might the transition ensure that these plans are adapted and effectively executed under the new governance structure?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

10. Public and Stakeholder Communication:

- How can changes in landfill services, rates, and environmental protection measures be communicated to the public, customers, and stakeholders?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

- What mechanisms are in place to address inquiries, concerns, or feedback from the community regarding landfill operations and environmental protection?

MOA Response: the MOA proposes no transition of the Anchorage Regional Landfill, a critical operating component of Solid Waste Services.

Chugiak-Eagle River Senior Center

Transition Regulations (3 AAC 110.900) - Rewritten Questions:

(a) Municipal Service Extension:

1. As per 3 AAC 110.900(a), Eaglexit's petition for detachment and incorporation must include a practical plan demonstrating the Municipality of Anchorage's capacity to extend essential municipal services, specifically Chugiak-Eagle River Senior Center services, into the proposed boundaries within the shortest practicable time after the effective date of the proposed change. Are you available to consult with Eaglexit to accomplish this?

- Can Eaglexit request the data in a specific format or will it be provided in a standardized format? What is that standardized format?

MOA Response: See earlier responses to this question.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and Chugiak-Eagle River Senior Center services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: The Chugach Regional Borough will assume responsibility for full funding of the Chugiak-Eagle River Senior Center's funding, governance, and administration, effective on the date of the transition.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of Chugiak-Eagle River Senior Center services within Chugiak-Eagle River during and after the transition?

MOA Response: The Chugach Regional Borough will assume responsibility for full funding of the Chugiak-Eagle River Senior Center's quality and accessibility of services on the date of the transition.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of Chugiak-Eagle River Senior Center services resources and funds?

MOA Response: The Chugach Regional Borough will assume responsibility for full funding of the Chugiak-Eagle River Senior Center's costs beginning on the date of the transition. The MOA anticipates the Chugiak-Eagle River Senior Center will transfer to the *Chugach Regional Borough should the borough be formed, but the transfer will be subject to the overall financial calculation discussed elsewhere in this document.*

1. Ownership and Asset Transfer:

- What is the current ownership structure of the Chugiak-Eagle River Senior Center, including the facilities, grounds, and parking areas?

MOA Response: the Chugiak-Eagle River Senior Center is owned by the Municipality as an "areawide" asset.

- How will the ownership and assets be transferred from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: The MOA anticipates the Chugiak-Eagle River Senior Center will transfer to the *Chugach Regional Borough should the borough be formed, but the transfer will be subject to the overall financial calculation discussed elsewhere in this document.*

- Are there any outstanding debts, loans, or liabilities associated with the Center's assets, and how will these be managed during the transition?

MOA Response: Yes. The Chugiak-Eagle River Senior Center is an "areawide" asset that is not accounted for in a standalone fund. Therefore, to calculated outstanding debts associated with the Center, if the borough continues to move forward, the MOA will obtain all passed GO bond ordinances for the last 20 years and research all bond-funded capital projects related to the Chugiak-Eagle River Senior Center – there is at least one, and there is another pending on the 2024 budget – to then calculate outstanding bond and CIB / CIP debt. Once identified, records must be reconstructed to determine all debts associated with the Center's assets. Conceptually, a fully-populated Chugiak-Eagle River Senior Center balance sheet must be created where none currently exists. Once a balance sheet has been created, a basis exists from which the borough can:

- *Have rightful preexisting claim on a portion of that (net) asset, and*
- *Presumably, purchase the existing (net) asset*

2. Governance and Contractor Relationship:

- How is the Chugiak-Eagle River Senior Center currently governed and operated, including the contract with Chugiak Senior Citizens, Inc. (Contractor)?

MOA Response: Chugiak-Eagle River Senior Center is managed by Chugiak Senior Citizens, Inc., a 501(c)(3) non-profit organization. Please see the Center's website for additional information:

https://www.chugiak.org/

- Will the existing contract with the Contractor be continued, renegotiated, or terminated during the transition?

MOA Response: The answer to this question is highly dependent upon the timing of the transition, should a transition occur. Further, the existing contract may not be subject to assignment or early termination.

- What is the process for ensuring that the Contractor's mission of providing quality services to seniors aligns with the Chugach Regional Borough's goals and objectives?

MOA Response: The MOA is unfamiliar with the Chugach Regional Borough's goals and objectives. The MOA encourages Eaglexit to visit the Center's website to increase familiarity with the Center's mission:

https://www.chugiak.org/

3. Funding and Financial Arrangements:

- What is the total contract amount for operating the Chugiak-Eagle River Senior Center in the current year, and what services does it cover?

MOA Response: the MOA subcontracts Chugiak-Eagle River Senior Center operations to a third-party vendor. Please see below for historical funding to this vendor (note that invoices included in the analysis are only through April 2023, therefore, the 2023 year should be considered a partial period):

Row Labels	Sum of Amount to be checked against payment bud
2017	80,000.00
2018	320,000.00
2019	320,000.00
2020	343,000.00
2021	325,863.86
2022	308,735.94
2023	155,969.68
(blank)	
Grand Total	**1,853,569.48**

The detail that comprises the above summary is as follows:

Period/Year	Amount to be checked against payment bud	Commitment item name	Vendor Name	Reference Document Number	Changed on	City	Text
010/2017	80,000.00	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100001282		Chugiak	
001/2018	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100006983		Chugiak	
004/2018	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100011488		Chugiak	
007/2018	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100015924		Chugiak	
010/2018	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100021546	10/25/2018	Chugiak	
001/2019	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100026021	1/22/2019	Chugiak	
004/2019	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100030056	4/12/2019	Chugiak	
006/2019	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100034390		Chugiak	
010/2019	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100040572	10/16/2019	Chugiak	
001/2020	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100045387		Chugiak	CHUGIAK SENIOR CITIZENS 01/01-03/31/2020
004/2020	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100048907		Chugiak	CHUGIAK SENIOR CENTER Q2 04/01-06/30/2020
008/2020	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100054757		Chugiak	CHUGIAK SENIOR CENTER -- Q3 7/1/20 - 09/30/2020
011/2020	103,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100060154		Chugiak	CHUGIAK SENIOR CENTER Q4 10/1/20 - 12/31/20
002/2021	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100065576		Chugiak	CHUGIAK SENIOR CENTER Q1 1/1-3/31/21
005/2021	79,471.10	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100069254		Chugiak	Chugiak Senior Center CSC 04/01-06/30/21
008/2021	75,091.57	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100074539		Chugiak	CHUGIAK SENIOR 04/01-06/30/21 ADVANCE FOR Q3
011/2021	80,000.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100079704		Chugiak	CHUGIAK SENIOR CIT 10/1/21-12/31/21 ADVANCE FOR Q4
012/2021	11,301.19	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100082760		Chugiak	CHUGIAK SENIOR CENTER - SVCS 10/1/21 to 12/31/21
003/2022	28,056.11	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100085687		Chugiak	CHUGIAK SENIOR CITIZENS 2.22
003/2022	26,138.57	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100085689		Chugiak	CHUGIAK SENIOR CITIZENS 1.22
006/2022	23,233.94	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100088176		Chugiak	CHUGIAK SENIOR CITIZENS- March 2022 Labor
008/2022	23,605.88	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100091870		Chugiak	CHUGIAK SENIOR CENTER- Aprill 2022 Expenditures
008/2022	28,480.83	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100091877	9/1/2022	Chugiak	CHUGIAK SENIOR CENTER- May 2022 Expenditures
008/2022	26,717.84	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100091878		Chugiak	CHUGIAK SENIOR CENTER- June 2022 Expenditures
008/2022	25,163.00	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100091879		Chugiak	CHUGIAK SENIOR CENTER- July 2022 Expenditures
012/2022	25,982.21	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100097706		Chugiak	CHUGIAK SENIOR- AUGUST 2022 BILLING PERIOD
012/2022	25,328.73	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100097708		Chugiak	CHUGIAK SENIOR- SEPTEMBER 2022 BILLING PERIOD
012/2022	25,398.92	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100097709		Chugiak	CHUGIAK SENIOR- OCTOBER 2022 BILLING PERIOD
012/2022	25,305.27	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100097710		Chugiak	CHUGIAK SENIOR- NOVEMBER 2022 BILLING PERIOD
012/2022	25,324.64	Cntrtual Svcs Othr	Chugiak Senior Citizens Inc	5100097711		Chugiak	CHUGIAK SENIOR- DECEMBER 2022 BILLING PERIOD
009/2023	33,938.71	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107333		Chugiak	CHUGIAK SENIOR CITIZENS - MAY 2023 BILLING PERIOD
009/2023	22,664.77	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107334		Chugiak	CHUGIAK SENIOR CITIZENS - MAR 2023 BILLING PERIOD
009/2023	26,036.29	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107336		Chugiak	CHUGIAK SENIOR CITIZENS - JUNE 2023 BILLING PERIOD
009/2023	27,706.11	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107337		Chugiak	CHUGIAK SENIOR CITIZENS - JAN 2023 BILLING PERIOD
009/2023	24,877.11	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107338		Chugiak	CHUGIAK SENIOR CITIZENS - FEBRUARY BILLING PERIOD
009/2023	20,746.69	Othr Prof Srvs	Chugiak Senior Citizens Inc	5100107339		Chugiak	CHUGIAK SENIOR CITIZENS - APR 2023 BILLING PERIOD

- How is funding allocated, and what is the source of funding for insurance premiums, health insurance payments, and healthcare software?

MOA Response: Each year, budgets are created using known information such as the Eagle River contractor's contract cost and property insurance for all MOA-owned property. These known costs are proposed in a consolidated budget that is subject to Assembly approval and appropriation. Because the Eagle River Chugiak Senior Center is an area-wide function, the source of funding for most operating and capital expenditures is property taxes and other similar non-restricted revenues, unless the voters approve a bond that includes a specific line item for the Center. In such case, areawide property taxes are increased to provide funding for the Center's major property repairs (roof, etc.).

- Will there be changes in funding allocation or sources after the transition to the Chugach Regional Borough?

MOA Response: After the transition, the borough will fund all Center costs.

4. Continuity of Services:

- How will the transition plan ensure the continuity of services provided to seniors in the Chugiak-Eagle River community, including those living in the independent and assisted living apartment complexes?

MOA Response: If an assignment of the existing or successor contractor's contract can be arranged, a transition with continuity of services to seniors should be achievable. However, the Municipality cannot and does not guaranty continuity of services provided to seniors.

- Are there specific programs or services offered at the Center that must be maintained or expanded during the transition?

MOA Response: If an assignment of the existing or successor contractor's contract can be arranged, the MOA anticipates that all programs and services offered at the Center at the time of transition would be maintained without interruption or disruption. However, the Municipality cannot and does not guaranty maintenance of specific programs or services.

- What measures will be in place to safeguard the well-being and quality of life for senior residents?

MOA Response: If an assignment of the existing or successor contractor's contract can be arranged, the MOA anticipates that all programs and services offered at the Center at the time of transition would be maintained without interruption or disruption. However, the Municipality cannot and does not guaranty the safeguarding of senior residents beginning on the transition date.

5. Legal and Contractual Agreements:

- Are there any legal agreements, including contracts and leases, that are crucial to the operation and management of the Chugiak-Eagle River Senior Center?

MOA Response: Yes. The MOA subcontracts operations of the Chugiak-Eagle River Senior Center to a vendor / operator.

- How will these contracts and legal instruments be reviewed, transferred, or renegotiated during the transition?

MOA Response: It is not certain the existing contract is assignable.

- Are there any legal or contractual obligations that need to be fulfilled before the transition is completed?

MOA Response: The answer to this question is highly dependent upon the timing of any transition.

6. Community Engagement and Stakeholder Input:

- How will the transition plan ensure that the Chugiak-Eagle River community and senior residents have opportunities for input and feedback during the process?

MOA Response: Eaglexit's transition plan should design opportunities for input and feedback during its transition process.

- Are there mechanisms for addressing community concerns, providing transparency, and keeping stakeholders informed about changes to the Senior Center's management and operations?

MOA Response: Eaglexit's transition plan should include mechanisms for addressing community concerns, providing transparency, and keeping stakeholders informed about changes to the Senior Center's management and operations.

7. Asset Value and Future Development:

- *How will the Chugach Regional Borough assess the value of the Senior Center's assets, including the independent and assisted living apartment complexes?*

MOA Response: Because there is no Chugiak-Eagle River Senior Center standalone fund or balance sheet, one will have to be historically recreated using all available information such as:

- *Voter-approved bonds passed within the last 20 year, and*
- *Relevant approved CIB / CIP items, and*

- *Operating activity to post A/R, A/P, etc., and*
- *If land was purchased in support of the Chugiak-Eagle River Senior Center Land valuations, possibly from the Municipal tax assessor if historical purchase records cannot be located, and*
- *Any other relevant information.*

The balance sheet will be prepared under generally accepted accounting principles. See prior discussion on this topic.

- Are there any plans for future development or improvements to the Center, and how will these be addressed during the transition?

MOA Response: 1) An amendment to the 2024 approved budget has been included in the "S" version that will be on the agenda for the April 30, 2024, meeting. However, this amendment may or may not receive Assembly approval. Additionally, voter approved bonds and future budgets may add additional items to the list of pending improvements. 2) the items would be addressed depending upon many factors:

a. *Voter approved bond projects that had not yet commenced would become null, because all GO bonds would be repaid in full at the time of transition. Borough voters could reaffirm any Center projects with future borough GO ordinances.*
b. *The parties would want to avoid active construction projects on the transition date or alternatively, would want to include assignment language in contracts issued within a certain time frame of the anticipated transition date.*
c. *Approved CIP Center projects that had not commenced could be considered by the borough for inclusion in its future CIPs.*
d. *Etc.*

Anchorage Owned Real Properties

- Alaska Center for the Performing Arts
- Anchorage Golf Course
- Anchorage Museum
- Ben Boeke Ice Arena
- Dempsey Anderson Ice Arena
- Dena'ina Civic & Convention Center
- George M. Sullivan Sports Arena
- William A. Egan Civic & Convention Center

- Can Eaglexit request the data in a specific format or will it be provided in a standardized format? What is that standardized format?

MOA Response: See earlier responses to this question.

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and Anchorage owned real properties services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: The MOA does not anticipate any transfers, and therefore, no impacts are anticipated.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of Anchorage owned real properties services within the Chugach Regional Borough during and after the transition?

MOA Response: The MOA does not anticipate any transfers, and therefore, no impacts are anticipated.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of Anchorage owned real properties services resources and funds?

MOA Response: The MOA does not envision any distribution of Anchorage owned real properties, services, resources, and funds from the above list. The MOA believes that if the high hurdle of GO bond debt can be overcome, the sole focus of discussion should be on the possible distribution of any unrestricted fund balance net of distributions from certain funds and assets such as fund #104. Challenging even this question, however, is Eagle River's historical (population) underrepresentation combined with Eagle River's inequitable payments into MOA general government.

1. Alaska Center for the Performing Arts:

- What is the current ownership and management structure of the Alaska Center for the Performing Arts?

MOA Response: The Alaska Center for the Performing Arts (the PAC) is a component unit of the Municipality of Anchorage. Further information can be found at:

https://alaskapac.org/

- How will the transfer of ownership and operational responsibilities be coordinated to ensure a seamless transition?

MOA Response: N/A, no PAC transfer of ownership and operational responsibilities is anticipated.

- Are there existing contractual agreements, performance schedules, or lease arrangements with resident arts organizations and tenants that need to be addressed during the transition?

MOA Response: N/A, no PAC transfer of ownership and operational responsibilities is anticipated.

- In your opinion, how can the Chugach Regional Borough support and maintain the cultural and artistic mission of the center while ensuring financial sustainability?

MOA Response: N/A, no PAC transfer of ownership and operational responsibilities is anticipated.

2. Anchorage Golf Course:

- What is the current operational and management framework for the Anchorage Golf Course?

MOA Response: There are two golf courses the term "Anchorage Golf Course" might be referring to:

1) the small golf course located in Russian Jack Springs Park which is operated by the Anchorage Parks & Recreation Department, or

2) the golf course more commonly referred to as O' Malley's on the Green which is located off O'Malley Road in Anchorage within Ruth Arcand Park. This course is leased to a third party operator: Anchorage Golf Course LLC.

- Are there contractual agreements with golf course associations, management companies, or other stakeholders that need to be considered during the transition?

MOA Response: No, because the Municipality does not anticipate the transfer of any either potential Anchorage Golf Course asset.

- How should the Chugach Regional Borough maintain the course's quality and accessibility to residents while managing financial sustainability?

MOA Response: N/A, because the Municipality does not anticipate the transfer of either Anchorage Golf Course asset.

3. Anchorage Museum:

- What is the existing governance structure, including ownership and management, for the Anchorage Museum?

MOA Response: Please see:

https://www.anchoragemuseum.org/about-us/governance/

- How should the transfer of ownership, management, and governance be coordinated during the transition?

MOA Response: N/A, no changes are anticipated in association with any transition.

- Are there significant contractual arrangements, exhibition schedules, or lease agreements that must be addressed as part of the transition process?

MOA Response: N/A, no changes are anticipated in association with any transition.

- How should the Chugach Regional Borough continue to support cultural and educational programs while ensuring the museum's financial viability?

MOA Response: the Chugach Regional Borough, once formed, is welcomed to engage directly with the Anchorage Museum.

4. Ben Boeke Ice Arena and Dempsey Anderson Ice Arena:

- How are the Ben Boeke Ice Arena and Dempsey Anderson Ice Arena currently owned, operated, and managed?

MOA Response: The MOA owns these properties. They are operated and managed by a third-party vendor, O'Malley Ice and Sports Center, LLC.

- Are there existing lease agreements, user contracts, or scheduling arrangements with hockey associations, figure skating clubs, and other ice sports organizations that need to be managed during the transition?

MOA Response: N/A, no Ben Boeke Ice Arena or Dempsey Anderson Ice Arena changes are anticipated in association with any transition.

- How might the Chugach Regional Borough maintain ice sport facilities and programming while ensuring financial sustainability?

MOA Response: the MOA does not anticipate a continued management role for the Chugach Regional Borough, post-transition, as it relates to the Ben Boeke Ice Arena and the Dempsey Anderson Ice Arena.

5. Dena'ina Civic & Convention Center:

- What is the current ownership and management structure of the Dena'ina Civic & Convention Center?

MOA Response: the Dena'ina Civic & Convention Center is a Component Unit of the Municipality of Anchorage. Please review information about the Dena'ina Civic & Convention Center at: *https://anchorageconventioncenters.com/egan-center/overview*

- Are there contractual agreements for conventions, events, and exhibitions that need to be addressed during the transition?

MOA Response: No; the MOA does not anticipate the transition will affect the Dena'ina.

- How might the Chugach Regional Borough ensure the continued success and attractiveness of the convention center while maintaining financial viability?

MOA Response: Dena'ina's financial viability is well-established, with fully-funded reserve accounts. To help ensure the project's continued success, the borough could hold (or attend) recurring events at the center.

6. George M. Sullivan Sports Arena and William A. Egan Civic & Convention Center:

- How are the George M. Sullivan Sports Arena and William A. Egan Civic & Convention Center currently owned and operated?

MOA Response: William A. Egan Civic & Convention Center (*Egan) operations are similar to those of the Dena'ina Civic & Convention Center. Please see additional information at:*

https://anchorageconventioncenters.com/egan-center/overview

Sullivan operations are managed by a third-party operator, O'Malley Ice and Sports Center, LLC.

- Are there contractual arrangements, including sports team leases, event bookings, or exhibition agreements, that must be managed during the transition?

MOA Response: No; the Municipality does not anticipate the transition will affect these operations.

- How might the Chugach Regional Borough support sports events, performances, and conventions while ensuring financial sustainability?

MOA Response: N/A; the Municipality does not anticipate the transition will affect these operations.

Anchorage Water and Wastewater Utility

In accordance with the stipulations outlined in 3 AAC 110.900 regarding municipal transitions, the following questions address the transition associated with a petition for incorporation, annexation, merger, or consolidation, with a specific focus on the Anchorage Water & Wastewater Utility (AWWU):

1. Can Eaglexit request data related to AWWU in a specific format, or will it be provided in a standardized format as per 3 AAC 110.900?

MOA Response: Please see prior answer to this question.

Impact on the Municipality of Anchorage:

2. How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's AWWU services concerning funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: The MOA does not anticipate a split of AWWU assets and the creation of three or even four regulated utilities. 3 AAC 110.900 does not call for all assets located within a particular geographic boundary to become part of a newly-formed borough, city, unorganized borough service area or the like. Instead:

" (b) Each petition must include a practical plan for the assumption of all relevant and ***appropriate*** *powers, duties, rights, and functions presently exercised by an existing borough, city, unorganized borough service area, or other appropriate entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to effect an* ***orderly****,* ***efficient****, and* ***economical*** *transfer within the shortest practicable time, not to exceed two years after the effective date of the proposed change.*

(c) Each petition must include a ***practical*** *plan for the transfer and integration of all relevant* ***and appropriate*** *assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area wholly or partially included within the boundaries proposed for change and must be designed to effect an* ***orderly****,* ***efficient****, and* ***economical*** *transfer within the shortest practicable time, not to exceed two years after the date of the proposed change. The plan must specifically address procedures that ensure the transfer and integration occur* ***without loss of value in assets****,* ***loss of credit reputation****,* ***or a reduced bond rating for liabilities****. "*

*(****emphasis*** *added by the MOA).*

The MOA believes splitting AWWU into three or four regulated utilities solely because some of its assets happen to be located within the boundaries of the proposed Chugach Regional Borough is a tremendously inefficient proposition that will increase ratepayer (and consumer) risk, reduce credit reputation and/or bond rating, and potentially even harm human lives. AWWU is a utility (two utilities) strictly governed by the Regulatory Commission of Alaska (the RCA). Adding a second, duplicative layer of management, billing, accounting, finance, safety, compliance, governance, etc., will in no way result in an efficient and economic transfer of assets. The proposal *is impractical and based upon many of the questions proposed by Eaglexit, is not supported by any financial understanding of the immensely complex undertaking Eaglexit is contemplating.*

Further, the future borough is not in any financial condition to purchase large components of AWWU from the Municipality of Anchorage. It has no credit rating, no public finance team, no regulated utility staff, and will be challenged enough simply to pay (bond for) any GO transaction. The future borough cannot simply accept, in a transfer fashion, a portion of AWWU's assets and a portion of AWWU's debt, for the following reasons (partial list):

- *AWWU is two separate utilities, Anchorage Water Utility (AWU) and Anchorage Wastewater Utility (ASU). Presumably Eaglexit is primarily interested in assets (and debt) owned by and owed by AWU and to a lesser extent, ASU; and*
- *The bonds held by AWU are not transferrable to a new borrower with no credit history, no operating history, no employee base, no cash, and no equity; and*
- *The new borough cannot demand a division of AWU equity, because that equity is: a) needed to maintain AWU's bond rating, b) a component of the financial credit worthiness of AWU that lenders (bond holders) considered when they invested in (lent to) AWU, c) a "cash equivalent" demand that if imposed, would leave AWU perilously short of its ability to pay its debts in the ordinary course of business, maintain its debt covenants, etc.*
- *The RCA would almost certainly prohibit the split of AWU into two utilities unless the borough could demonstrate to the RCA's satisfaction that ratepayers would be protected (rates would not rise), the health of the public would be protected, the borough was financially able to pay off AWU debts (see 2nd bullet point) at transaction time; and*
- *The borough would need to prepay to the Municipality all PERS-related liabilities associated with the split, which could exceed $100 million (non-discounted figure); and*
- *AWU assets located within the borough's boundaries would need to be purchased by, not transferred to, the borough. These assets are not taxpayer funded assets but instead have been ratepayer funded over a period of many decades. However, most AWU and ASU ratepayers live outside of the Chugach Regional Borough and almost all commercial AWU and ASU ratepayers live outside of the Chugach Regional Borough. Thus, Eagle River and Chugiak residents have relatively little "AWWU skin in the game." Therefore, a calculation would need to be performed to determine a purchase price to be paid in cash at the time of transition. To level-set expectations, the price of ML&P when it was sold to CEA was approximately $1 billion, and the basis of that price was generally accepted accounting principles; assets were **not** individually revalued to current market value at the time of transaction.*

3. What financial considerations and budgetary implications, aligned with 3 AAC 110.900, are associated with maintaining the quality and accessibility of AWWU services within Chugiak-Eagle River during and after the transition?

MOA Response: No AWWU changes are anticipated, for the reasons listed in Question #2, above.

4. Are there, or can measures be implemented, in accordance with 3 AAC 110.900, to address potential funding gaps or shortfalls arising from the transition, including the equitable distribution of AWWU services resources and funds?

MOA Response: N/A, because no AWWU split or transition is anticipated.

Asset Valuation and Ownership:

5. How are the water and wastewater assets, including treatment plants, pipelines, and infrastructure, currently valued, and what is their condition assessment?

MOA Response: AWWU follows generally accepted accounting principles (modified accrual basis of accounting). See AWWU financial statements for further information at:

https://www.awwu.biz/about-us/responsilbe-finances/financial-statements

6. Will an asset valuation and inventory be conducted before the transition, and how will asset ownership be transferred to the Chugach Regional Borough?

MOA Response: 1) No; 2) No AWWU transfers are anticipated.

Asset Maintenance and Capital Improvement:

7. Are there dedicated funds and plans for the maintenance, repair, and capital improvement of water and wastewater assets?

MOA Response: Yes. See AWU and ASU financial statements posted on the Anchorage Water and Wastewater Utility website:

https://www.awwu.biz/about-us/responsilbe-finances/financial-statements

8. How will the transition ensure the continuation of maintenance and investment in infrastructure without disruption?

MOA Response: N/A, because no AWWU transfers are anticipated.

Revenue and Rate Structure:

9. What is the current revenue model, rate structure, and billing practices for water and wastewater services in Chugiak-Eagle River?

MOA Response: See information posted on the Anchorage Water and Wastewater Utility website, including tariff:

https://www.awwu.biz/

10. How will the transition address revenue generation, rate-setting, and billing under the new governance structure?

MOA Response: N/A, because no AWWU transfers are anticipated.

Debt Obligations and Bond Ratings:

11. Are there existing debts or bonds related to water and wastewater projects or infrastructure improvements?

MOA Response: Yes. See AWU and ASU financial statements posted on the AWWU website:

https://www.awwu.biz/about-us/responsilbe-finances/financial-statements

12. How will the transition manage these debt obligations, bond covenants, and ensure compliance to maintain credit reputation and bond ratings?

MOA Response: N/A, because no AWWU transfers are anticipated.

Contracts and Service Agreements:

13. What contracts or service agreements are currently in place with vendors, suppliers, or service providers for water and wastewater services?

MOA Response: AWU and ASU are large organizations with numerous contracts and service agreements. Information on many contracts and service agreements can be obtained by examining proposals brought to the Anchorage Assembly for consideration (see: Municipality of Anchorage website: Passed Legislation).

14. How will these agreements be addressed during the transition, including contract assignment, renegotiation, or termination if necessary?

MOA Response: N/A, because no AWWU transfers are anticipated.

Legal Framework and Regulatory Compliance:

15. What legal instruments govern the operation, quality standards, and regulatory compliance for water and wastewater services?

MOA Response: Many federal and state laws govern the operation, quality standards, and regulatory compliance for water and wastewater services. More information is available on the AWWU website:

https://www.awwu.biz/

16. How will the transition ensure legal compliance, adherence to quality standards, and any necessary regulatory adjustments?

MOA Response: N/A, because no AWWU transfers are anticipated.

Customer and Stakeholder Engagement:

17. How will customer communication, feedback mechanisms, and public engagement be managed during the transition, particularly regarding service continuity, billing, and quality assurance?

MOA Response: N/A, because no AWWU transfers are anticipated.

Emergency Response and Continuity of Service:

18. Are there emergency response plans in place for water and wastewater services, and how will these be adapted to the new governance structure?

MOA Response: 1) Yes. 2) N/A, because no AWWU transfers are anticipated.

19. What measures are in place to ensure the continuity of essential services, especially in cases of natural disasters or emergencies?

MOA Response: Numerous measures are in place to ensure continuity of essential services in case of natural disasters or emergencies. Please see AWU's PVR metrics posted on-line for AWWU's outage metrics.

https://www.muni.org/Departments/Mayor/pages/pvr.aspx

Financial Transparency and Reporting:

20. How are financial audits, reporting, and transparency currently conducted for water and wastewater services?

MOA Response: The MOA's external auditor also conducts the audits for AWU and ASU. See audited AWWU financial statements at:

https://www.awwu.biz/about-us/responsilbe-finances/financial-statements

21. What strategies will be employed to maintain financial transparency and reporting under the new governance structure?

MOA Response: N/A, because no AWWU transfers are anticipated.

Public and Stakeholder Communication:

22. How will changes in water and wastewater services, rates, and billing be communicated to the public, customers, and stakeholders?

MOA Response: N/A, because no AWWU transfers are anticipated.

23. What mechanisms are in place to address inquiries, concerns, or feedback from the community?

MOA Response: N/A, because no AWWU transfers are anticipated.

Operational Questions - Eagle River Wastewater Treatment Plant:

24. What is the annual budget for operations and maintenance of the Eagle River Wastewater Treatment Plant and sewage collection systems operated by AWWU? Has the annual operating budget changed over the last five years? What are the reasons for the change?

MOA Response: Please see ASU's audited financial statements which are posted on-line at AWWU's website and which show budget to actual information and changes in costs over time: *https://www.awwu.biz/*

25. How many full-time and part-time employees are employed annually at the Eagle River Wastewater Treatment Plant? Has that number changed over the last five years?

MOA Response: Please see ASU's website for information about the Eagle River Wastewater Treatment Plant, including staffing.

https://www.awwu.biz/

26. What is the current design treatment capacity of the Eagle River Wastewater Treatment Plant?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

27. What is the current daily treatment rate at the Eagle River Wastewater Treatment Plant? What is the annual treatment rate at the plant for the last five years?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

28. Are there any plans for the expansion of the Eagle River Wastewater Treatment Plant? If so, what is the time horizon?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

29. How many households in Chugiak Eagle River (CER) subscribe to AWWU wastewater services? What is the number of subscribers to AWWU wastewater services in Anchorage

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

30. Do subscribers in CER pay the same amount as those in Anchorage? If not, why not?

MOA Response: Yes, households pay a flat monthly rate.

31. Who is responsible for water APDES discharge permit compliance, and who is accountable for the same APDES permits? Does the Eagle River Wastewater Treatment Plant have any violations or compliance orders at the plant now or in the last five years?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

32. How was the Eagle River Wastewater Treatment Plant paid for back when first constructed or when last expanded or upgraded? If bonds were used, are the bonds repaid via subscriber payments or otherwise?

MOA Response: Please see operational information available at AWWU's website: https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

33. How many feet/miles of wastewater pipeline are installed in CER as compared to Anchorage? Can you provide specifications for the existing wastewater treatment plants, wastewater pipelines, including pipe size and lengths, and their estimated value?

MOA Response: Please see operational information available at AWWU's website: https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

Operational Questions - Eklutna Water Treatment Plant:

34. What is the annual budget for operation and maintenance of the Eklutna Water Treatment Plant, the water pipeline delivery, and the distribution system?

MOA Response: Please see operational information available at AWWU's website: https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

35. How many full-time and part-time employees are employed annually at the Eklutna Water Treatment Plant? Has that number changed over the last five years?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

36. How many households in Chugiak Eagle River (CER) subscribe to AWWU drinking water service? What is the number of subscribers to AWWU drinking water in Anchorage?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

37. Do subscribers in CER pay the same amount as those in Anchorage? If not, why not?

MOA Response: 1) Yes, 2) N/A

38. Does AWWU pay the State of Alaska for water drawn from Lake Eklutna? If so, how much?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

39. How was the Eklutna Water Treatment Plant paid for back in 1988?

MOA Response: Please see operational information available at AWWU's website: https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at: https://anchorageak.justfoia.com/publicportal/home/newrequest

40. We are aware that the Eklutna Water Treatment Plant meters water into the plant and out of the plant daily. Does AWWU meter water delivered to homes and businesses in CER? Does it meter water to homes and businesses in Anchorage? We are looking for the amount of drinking water being used in CER versus Anchorage. How does AWWU know if there is excessive water usage without metering?

MOA Response: Homes are not metered; homes are billed flat rates (see earlier response to this question). Businesses are metered.

41. How many feet/miles of water pipeline are installed in CER as compared to Anchorage? Public information says that AWWU has 850 miles of water pipeline installed. Additional public information says that there is a 30-mile pipeline from the Water Treatment Plant to Anchorage; is that correct, and is there a meter to measure the Anchorage water take on the master pipeline?

MOA Response: Please see operational information available at AWWU's website:
https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:

https://anchorageak.justfoia.com/publicportal/home/newrequest

42. Is AWWU considering future water storage tanks? If so, what is the location of the water storage tanks?

MOA Response: 1) Yes, 2) TBD

43. Public information shows that the Eklutna Water Treatment Plant design capacity of 35 million gallons per day (Mbpd) and that the plant is designed capable of doubling that capacity. What is the current average daily delivery rate and the annual delivery from the Eklutna Water Treatment Plant? How does the annual delivery compare to the last five years? Can you provide specifications for the existing water treatment plant, water pipelines, including pipe size and lengths, and their estimated value?

MOA Response: Please see operational information available at AWWU's website:

https://www.awwu.biz/

For additional information, please submit a Public Records Request for this information at:
https://anchorageak.justfoia.com/publicportal/home/newrequest

CBERRRSA Chugiak/Birchwood Eagle River Rural Road Service Area

- Can Eaglexit request the data in a specific format, or will it be provided in a standardized format? What is that standardized format?

MOA Response: Please see earlier response to this question

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's road services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: 1) The Chugach Regional Borough will need to bill and collect from its CBERRRSA and LRSA residents, 2) all assets held by the CBERRRSA and LRSA funds on the date of the transition (such as cash) will need to be transferred to the CBERRRSA and LRSA successor(s) on the date of transition, 3) the CBERRRSA or LRSA successors will need to engage with contractors (or assign existing contracts) to ensure continued contractor support.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of road services within Chugiak-Eagle River during and after the transition?

MOA Response: the Municipality believes budgetary implications of the transition should be negligible, presuming the CBERRRSA and LRSA service areas continue to exist without significant operational or structural changes, 2) that the borough can staff up to support the CBERRRSA and LRSA groups, 3) that there are no changes to AMATS-related issues,

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of road services resources and funds?

MOA Response: See earlier response. Each CBERRRSA and LRSA group has its own standalone fund with cash that will need to be transferred to the new borough, should a new borough be formed.

1. Assessment of Road Assets:

- How will the road assets, including their condition, be systematically assessed and documented to create an inventory?

MOA Response: The MOA does not have budget to create an inventory of road assets (including an assessment of condition) for Eaglexit.

- What methods and criteria will be used to evaluate the condition of roads, including factors like pavement quality, safety features, and drainage systems?

MOA Response: The MOA does not have budget to evaluate the condition of roads, including factors like pavement quality, safety features, and drainage systems, for Eaglexit.

- Is there a comprehensive asset management system established to track road maintenance and construction needs, prioritize projects, and plan for future infrastructure improvements?

MOA Response: Yes.

2. Budgetary and Financial Implications:

- What are the expected financial implications of road maintenance and construction within the new Chugach Regional Borough, and how can the budget be structured to accommodate these needs?

MOA Response: The MOA is not able to assess the expected financial implications of road maintenance and construction for the new borough, nor to help the new borough structure a budget to accommodate its needs. One expected financial implication will be the need to independently staff up for GIS and other road-supportive functions post-transition.

- How will the funding for road maintenance and construction be allocated, and what revenue sources, such as taxes or grants, will be utilized to support these efforts?

MOA Response: No funding will be allocated. The new borough, if formed, will need to develop its own revenue sources to maintain its roads. Note the existing CBERRRSA / LRSA framework is already relatively segregated, with separate mill rates and separate accounting funds for the Eagle River / Chugiak area road functions. In other words, a "status quo" budget might be sufficient for road needs (operating) in the short run, post-transition.

- Are there any specific financial challenges or opportunities associated with the transition, such as the reallocation of road-related funds from the Municipality of Anchorage to the Chugach Regional Borough?

MOA Response: No reallocation of road-related funds should be anticipated by the Chugach Regional Borough. The Borough should develop its own revenue sources. Note that the existing CBERRRSA / LRSA framework is already relatively segregated, with separate funds (with cash) that would be transferred to the Chugach Regional Borough, post-transition.

- What effect and impact will the detachment and subsequent incorporation of the Chugach Regional Borough have on the current Metropolitan Planning Organization (MPO) with regards to the Anchorage Metropolitan Area Transportation Solutions (AMATS)?

MOA Response: At this time, more research is needed on this topic. There have been some recent changes in federal regulations on what is considered an urbanized area. AMATS staff is looking into the impacts this would have and if the Chugach Regional Borough would still be part of AMATS or would fall outside the MPO boundary and no longer be eligible for MPO funding.

3. Coordination of Road Projects:

- How will road construction projects and maintenance activities be coordinated to ensure a seamless transition without service disruptions to residents and businesses?
-

MOA Response: The MOA cannot answer this question because the MOA has no idea about timing of any transition. Presumably, any transition is many years off, as Eagle River residents have not voted to approve Eaglexit and the financial implications thereof.

4. Shared Road Infrastructure and Responsibilities:

- Are there any shared road infrastructure components, such as bridges, tunnels, or major roadways, that will require special attention and cooperation between the Chugach Regional Borough and the Municipality of Anchorage?

MOA Response: The Municipality's GIS Officer reviewed the boundaries between Eagle River and Anchorage districts. His review concluded that there do not appear to be any shared road infrastructure components, such as bridges, tunnels, or the like, that will require special attention and cooperation. However, if a transition occurs years in the future, a new assessment should occur closer to the transition date to ensure that shared infrastructure components have not been installed after this document was created.

Note that major roadways might be a State of Alaska issue (vs. MOA issue).

- What legal agreements or cooperative arrangements, if any, will need to be established to manage shared road responsibilities and maintenance in a way that is beneficial to both jurisdictions?

MOA Response: N/A; the MOA does not anticipate cooperative arrangements.

Equipment Operation and Maintenance:

1. How will the maintenance, repair, and operation of road maintenance and construction equipment be managed during the transition?

MOA Response: Status quo operations through the date of any transition.

2. Are maintenance schedules and procedures in place to ensure the reliability and safety of equipment used in road maintenance and construction?

MOA Response: Yes

3. What mechanisms are employed to address equipment breakdowns or failures to minimize service disruptions?

MOA response: 1) perform routine maintenance, 2) implement equipment replacement schedules, 3) engage a dispatch system (when inevitable breakdowns or failures do occur).

Public-Private Contracts and Contracting:

1. Are there existing public-private contracts for road maintenance and construction within Chugiak-Eagle River (and the future Chugach Regional Borough), and how will these contracts be managed during the transition?

MOA Response: 1) Yes, 2) the MOA has not prepared a plan for how these contracts will be managed during the transition, should a transition occur. Any transition could be years off, and if so, existing contracts could have long since expired. Please also note that most residents in the Chugiak-Eagle River area are supported by independent LRSA and CBERRRSA service areas.

2. How might the transfer or renegotiation of existing contracts affect the cost, quality, and continuity of road maintenance and construction services?

MOA Response: Parties should not assume any existing contracts are transferable to a new party (a future borough) that is not a signatory to the existing contracts. It is possible if the borough attempts to negotiate assignments of existing contracts, prices might increase due to the new borough's lack of credit history, lack of bonding capabilities, lack of buying power, or any other factors.

3. What provisions can be put in place to ensure that private contractors continue to meet agreed-upon service levels and standards during the transition?

MOA Response: Contract terms should ensure (require that) service levels are adhered to.

Anchorage Community Development Authority (ACDA)

- Can Eaglexit request the data in a specific format or will it be provided in a standardized format? What is that standardized format?

MOA Response: Please see prior answer to this question

Impact on the Municipality of Anchorage:

- How will the transition to the Chugach Regional Borough impact the Municipality of Anchorage and MOA's ACDA services in terms of funding, governance, and administrative changes, including potential shifts in budget allocation and resource management?

MOA Response: N/A, the Municipality does not anticipate any changes or impacts to ACDA resulting from the transition.

- What financial considerations and budgetary implications are associated with maintaining the quality and accessibility of ACDA services within Chugiak-Eagle River during and after the transition?

MOA Response: N/A, the Municipality does not anticipate any changes or impacts to ACDA resulting from the transition.

- Are there and can there be measures in place to address any potential funding gaps or shortfalls that may arise as a result of the transition, including the equitable distribution of ACDA services resources and funds?

MOA Response: N/A, the Municipality does not anticipate any changes or impacts to ACDA resulting from the transition.

1. Asset Ownership and Valuation:

- What is the current ownership structure of the Anchorage Community Development Authority, including its property, assets, and facilities?

MOA response: The ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

- How will the valuation of ACDA's assets and properties be determined during the transition process?

MOA response: The ACDA's assets will continue to be accounted for in accordance with generally-accepted accounting principles.

- Are there any outstanding debts, bonds, or financial obligations associated with ACDA's assets, and how will these be allocated and managed during the transition?

MOA response: Yes, the ACDA has financial obligations. The MOA does not anticipate allocating and/or otherwise managing them during Eaglexit, as ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

2. Financial Sustainability and Revenue Streams:

- What are the primary sources of revenue for ACDA, including income from parking services, property management, and other activities?

MOA response: Please review the ACDA audited financial statements:

https://www.muni.org/Departments/budget/Documents/Financial%20Statements/ACDA_2021-2022%20Audited%20Report-FINAL.pdf

- What is the best way to ensure the continued financial sustainability of ACDA, including covering operating expenses and potential projects or developments, post-transition?

MOA response: ACDA operates independently and covers its own costs.

- Are there existing contracts or agreements related to revenue sharing or service fees that need to be addressed?

MOA response: No

3. Property Management and Development:

- What properties and development projects are currently managed or overseen by ACDA, both in the public and private sectors?

MOA response: Please review ACDA's audited financial statements:

https://www.muni.org/Departments/budget/Documents/Financial%20Statements/ACDA_2021-2022%20Audited%20Report-FINAL.pdf

- What will be the best way to address the continuity of property management, development initiatives, and projects transferred from the Municipality to the Chugach Regional Borough?

MOA response: the MOA does not anticipate transferring ACDA projects; ACDA is a legally separate, public corporation that operates as a Component Unit.

- Are there specific land use plans, development agreements, or development incentives associated with these properties?

MOA response: N/A, the Municipality does not anticipate any changes or impacts to ACDA resulting from the transition.

4. Governance and Board Structure:

- How is the governance structure of ACDA organized, including its board of directors, executive employees, and ex officio members?

MOA response: Please review ACDA's audited financial statements:

https://www.muni.org/Departments/budget/Documents/Financial%20Statements/ACDA_2021-2022%20Audited%20Report-FINAL.pdf

- Will there be any changes to the board structure, appointment process, or governance framework as a result of the transition?

MOA response: the MOA does not anticipate ACDA changes; ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

5. Legal and Contractual Arrangements:

- What contracts, leases, or legal instruments are currently in place for the Anchorage Community Development Authority, including agreements related to property management, development, or parking services?

MOA response: Please review ACDA's audited financial statements:

https://www.muni.org/Departments/budget/Documents/Financial%20Statements/ACDA_2021-2022%20Audited%20Report-FINAL.pdf

- How should these contracts and legal arrangements be reviewed, transferred, or renegotiated during the transition?

MOA response: the MOA does not anticipate transferring ACDA projects; ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

- Are there any legal disputes, pending litigation, or contractual disputes that need resolution?

MOA response: No

6. Project Pipeline and Future Development:

- What ongoing development projects, either public or private, is ACDA currently involved in?

MOA response: Please review ACDA's audited financial statements:

https://www.muni.org/Departments/budget/Documents/Financial%20Statements/ACDA_2021-2022%20Audited%20Report-FINAL.pdf

- How should these projects be managed and completed during the transition, and what is the status of any existing agreements related to these projects?

MOA Response: N/A, ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

7. Community Engagement and Public Input:

- What is the best way to ensure continued community engagement and public input regarding development projects, property management, and governance changes?

MOA Response: N/A, ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.

- What mechanisms can be put in place to address community concerns and provide transparency throughout the transition?

MOA Response: N/A, ACDA is a legally separate, public corporation organized as a Component Unit within the MOA's organizational structure.