PORT of ALASKA

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 477-2019

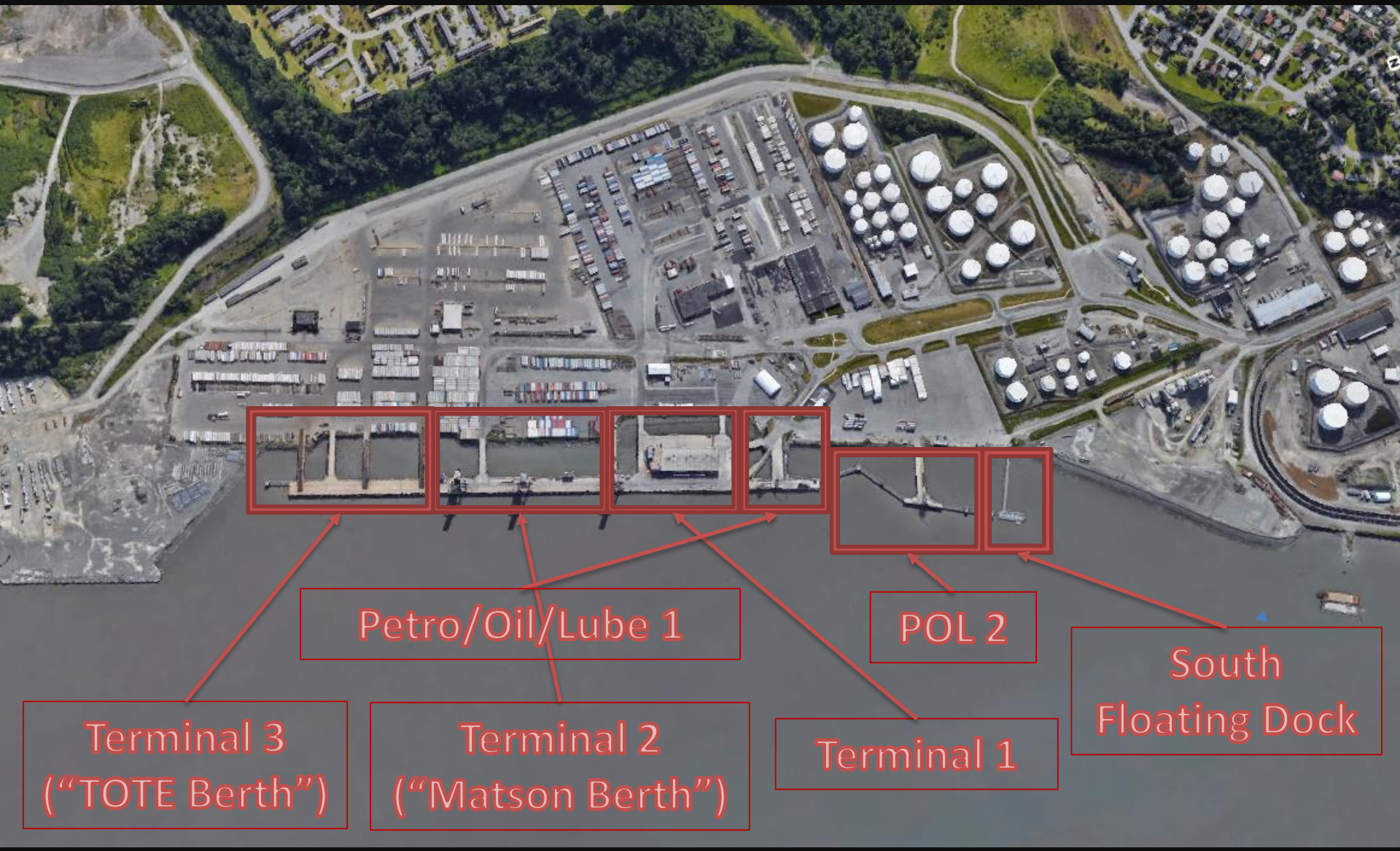
Meeting Date: July 23

From: **Mayor**

Subject: **RECOMMENDATION OF AWARD TO PACIFIC PILE & MARINE FOR PROGRAM PETROLEUM AND CEMENT TERMINAL (PCT) FOR THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (POA) (ITB 2019C033) ($42,156,000)**

Award of this bid will provide construction services to the Municipality of Anchorage, POA for the Petroleum and Cement Terminal 2020 Elements Project. This work comprises of furnishing all labor and materials identified within the ITB to complete portions of the PCT (the trestle and work platform). The remaining portions of the PCT will be awarded in subsequent construction contracts.

- The Port
- The Problem
- The Plan
- The Money
- The Bid
- The Questions
- The Alternatives
- The Recommendation


Petro/Oil/Lube 1
POL 2
South Floating Dock
Terminal 3 ("TOTE Berth")
Terminal 2 ("Matson Berth")
Terminal 1

Cargo, Petroleum, and Cement

- Half of state's inbound, marine freight = ~45% of all goods into the state
- Half of Port freight delivered outside of Anchorage
- All JBER fuel, about half of the fuel sold at Ted Stevens Airport
- 80% of all cement used in state

PORT of ALASKA

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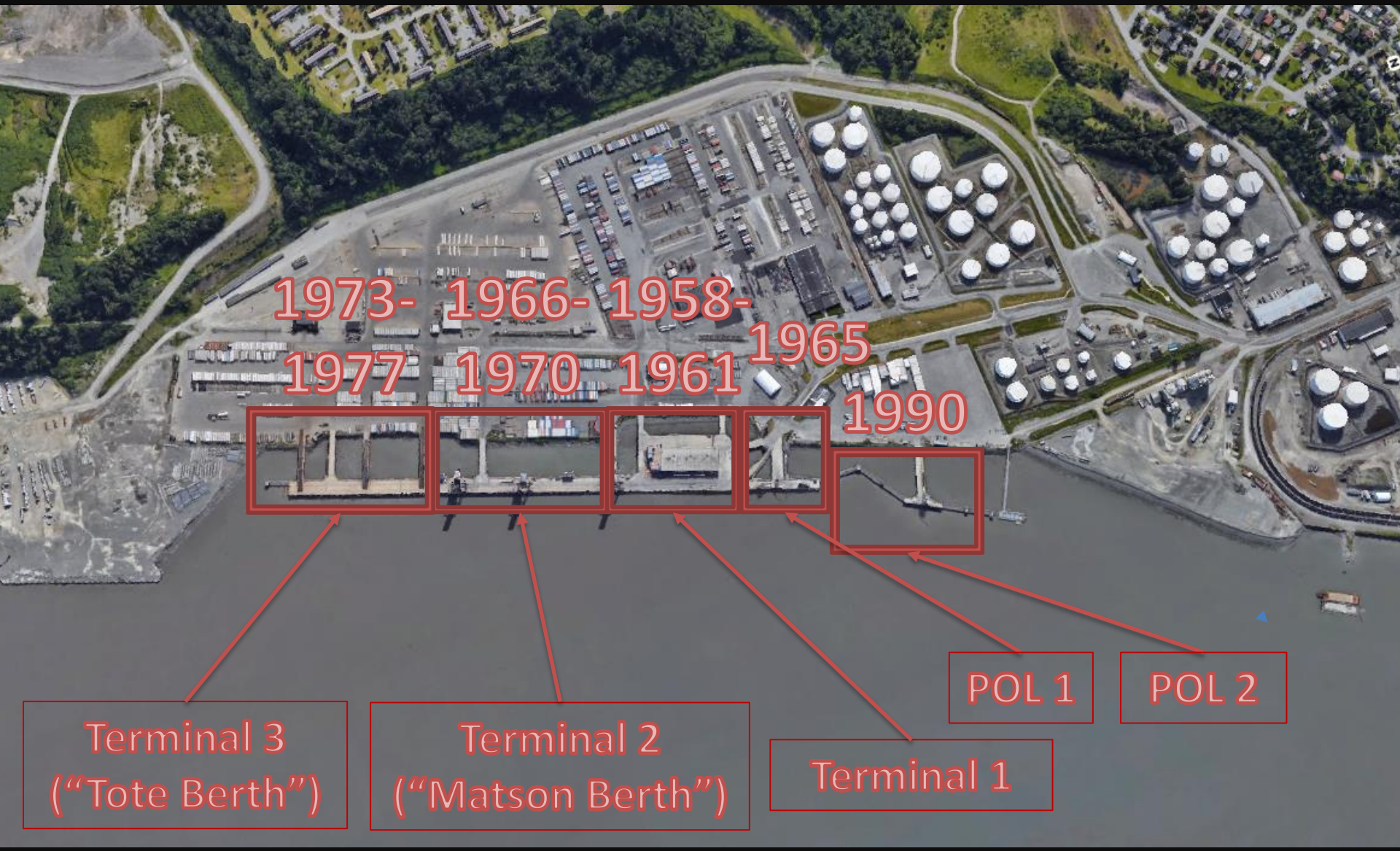
Facilities beyond their planned service life



R&M CONSULTANTS, INC.
9101 Vanguard Drive • Anchorage, AK 99507 • 907.522.1707
212 Front Street #150 • Fairbanks, AK 99701 • 907.452.5270

Memorandum

To:	Sharen Walsh, P.E.
From:	Joshua Crowe, P.E.
Subject:	Port of Alaska – Terminal 1 and POL No. 2 Pile Damage
Date:	6/12/2019
Project #:	2600.01.04

Terminal 1

Recent under-dock inspections have identified three adjacent piles at Terminal 1 with significant damage. They are located at the southern edge of the terminal northeast of the joint at POL1 and southwest of the transit shed. These are piles 1T, 2T and 3T. See Figure 1.

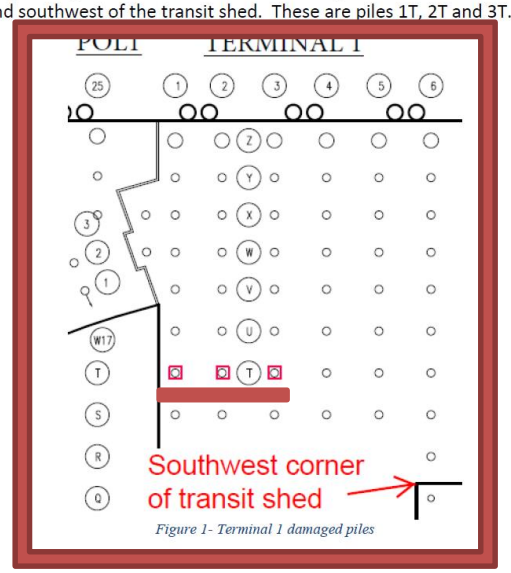


Figure 1- Terminal 1 damaged piles

Original design drawings indicate that these three piles are 20" diameter and are filled with gravel. Despite the gravel fill, pile 2T is sheared completely through at the butt splice. Its capacity is severely compromised, and cannot reliably carry any vertical load without repair or strengthening. See Photo 1.

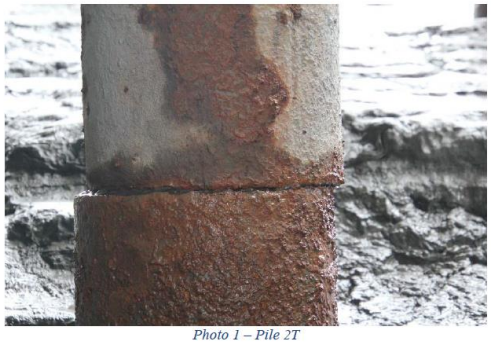


Photo 1 – Pile 2T

There is sufficient redundancy in the pile support structure and the deck to transfer loads to the adjacent piles. That said, the adjacent piles are compromised as well, though not in the same fashion. Their ability to carry some load is still present. Pile 1T is cracked below the butt splice and pile 3T exhibits sufficient weld corrosion at the butt splice that it is weeping water. See Photo 2 and Photo 3, respectively.

Photo 2 – Pile 1T crack below splice

Photo 3 – Pile 3T weeping splice

These piles at bent T are located at a less critical location as it relates to the working surface of the deck at Terminal 1. However, we recognize that this area of the terminal is a part of the truck route for Matson during ship loading and unloading operations. Therefore we recommend that these piles be jacketed as soon as practicable. Unfortunately, the current 2019 pile enhancement project does not have 20" diameter jackets that we might be able to


UNDERSIDE OF DECK IS SPALLING, SOME OLD, SOME FRESH. 12
PILE 19W: BATTER PILE WITH LARGE HOLE OR SPLIT. 9
PILE 2T: SHEARED AT BUTT WELD ABOVE MUDLINE. 8
PILE 4V: LARGE HOLE NEAR MUDLINE. 6
PILE 17W: BATTER PILE WITH LARGE HOLE OR SPLIT. 11
PILE 18W: BATTER PILE WITH LARGE HOLE OR SPLIT. 10
PILE 3T: BUTT WELD WEEPING WATER, ENTIRE CIRCUMFERENCE. 7
PILE 4T: CRACKED AT MUDLINE. 5
12
11
10
9
7
6
8
5
1
2
3
4
PILE 3I: SPIRAL WELD FAILURE AT THE MUDLINE. 1
PILE 21W: HOLE 2
PILE 1T: CRACKED AT BUTT WELD ABOVE MUDLINE. 3
PILE 1S: BUTT WELD FAILURE. 4
TERMINAL NO. 1
TRANSIT SHED
EAST TRESTLE

substitute. On a concept level, we have reached out to the current jacket Contractor regarding feasibility of modifying 24" jackets with 20" collars. Fabrication is currently underway for the 2019 contract and, as of the date of this memo, we are unsure if this can be accomplished without adversely affecting production and delivery timeline. Jackets may need to be manufactured specifically for these piles.

Current pile enhancement jackets are manufactured 18 feet long to encapsulate the corrosion zone in the outboard piles where the most severe corrosion occurs just below 0' MLLW. Mud is rarely an issue as it relates to the installation of jackets on the outboard piles. However, the most severe corrosion and damage in the bent T piles is located near mudline at approximately +5' MLLW. Corrosion of the piles is likely occurring at a slower rate below mudline. Therefore to minimize dredging (i.e. water-jet excavation), jackets for these piles could be manufactured in shorter lengths e.g. 10 feet, and then installed with the jacket centered over the damaged portion of the pile.

Until such a time that pile strengthening can be enacted, if it is not already posted as such, we recommend that the portion of Terminal 1 south of the transit shed be limited to 200 PSF safe working load with axle loads limited to HS20-44. (Original design live [redacted] was 400 PSF.) Parking of heavy equipment should be prohibited. Heavy wheeled or tracked crane loads sho[redacted]obilization or operation in this area of the terminal. Further, these piles and nearby piles (that are now taking additional load) should be regularly monitored until pile strengthening activities transpire.

POL No. 2

Recent damage observed at piles located at POL2 include splitting and unraveling of welds. See Photo 4 for example of spiral weld unraveling.

Photo 4 – Example of spiral weld unraveling

The unraveling currently is limited to a small length of pile at or just below mean lower low water (0' MLLW) and, therefore, can only be seen at low tide. Four piles have been identified

with the aforementioned damage. These piles are batter piles which, in addition to providing vertical support, provide the primary resistance to lateral (seismic and berthing) loads. The capacity of these piles has been compromised. All of these piles have been selected to receive jackets this year. Additionally, two vertical piles supporting the ends of pile caps have been selected to receive jackets. See Table 1 and Figure 2 for a list and schematic layout of piles to receive jackets at POL2 in 2019.

PILE	PILE DIA	JACKET LENGTH	NOTES
4B - north	24 in	18 ft	batter
5B - north	24 in	18 ft	batter
5D	24 in	18 ft	plumb
6B - north	24 in	18 ft	batter
7B - north	24 in	18 ft	batter
6D	24 in	18 ft	plumb

Table 1 - POL2 piles to receive jackets in 2019

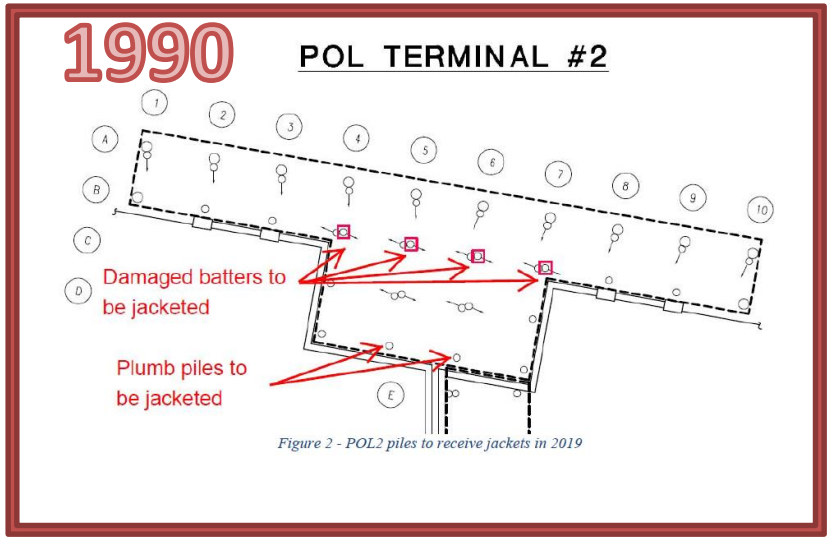


Figure 2 - POL2 piles to receive jackets in 2019

- The Port
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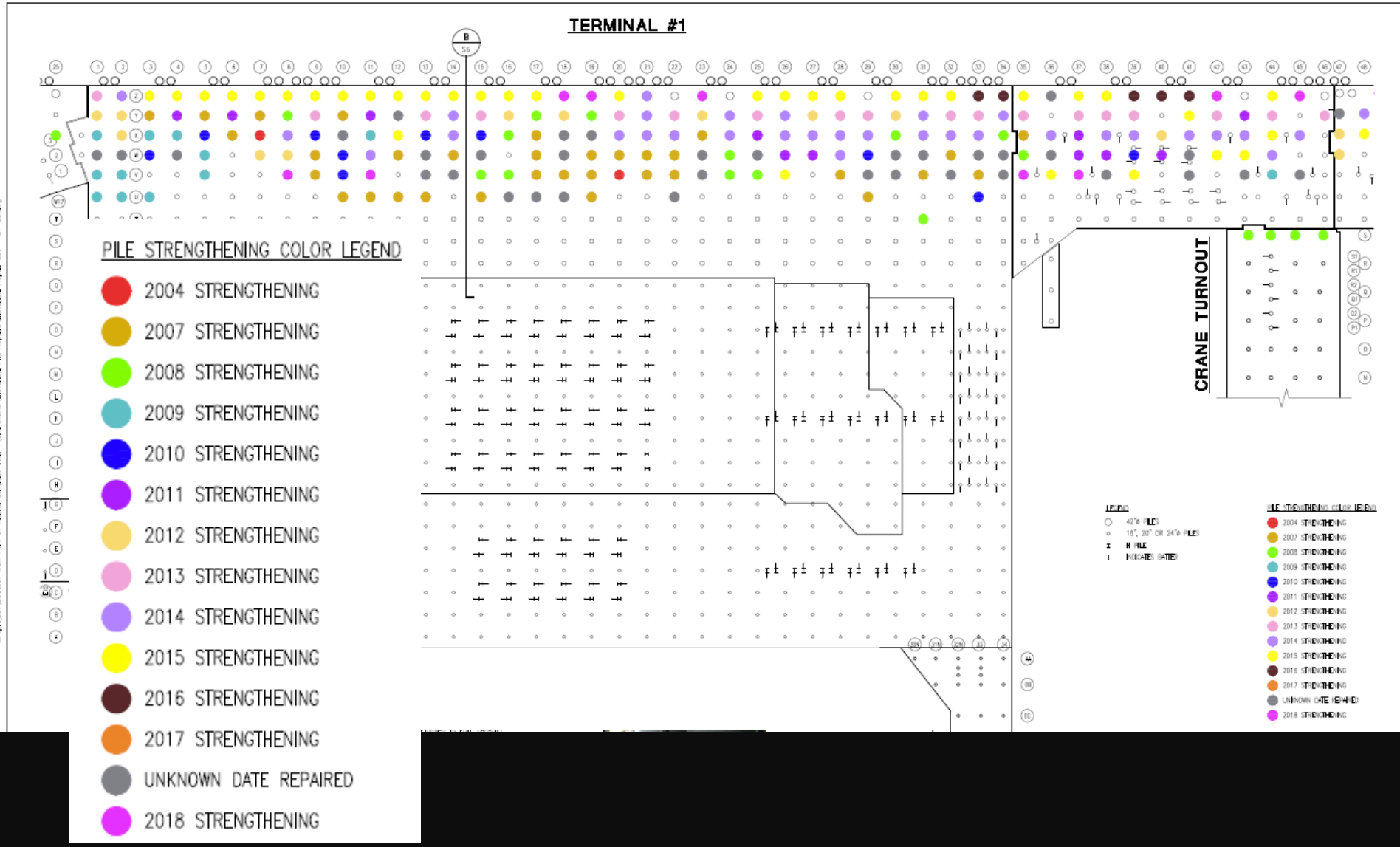
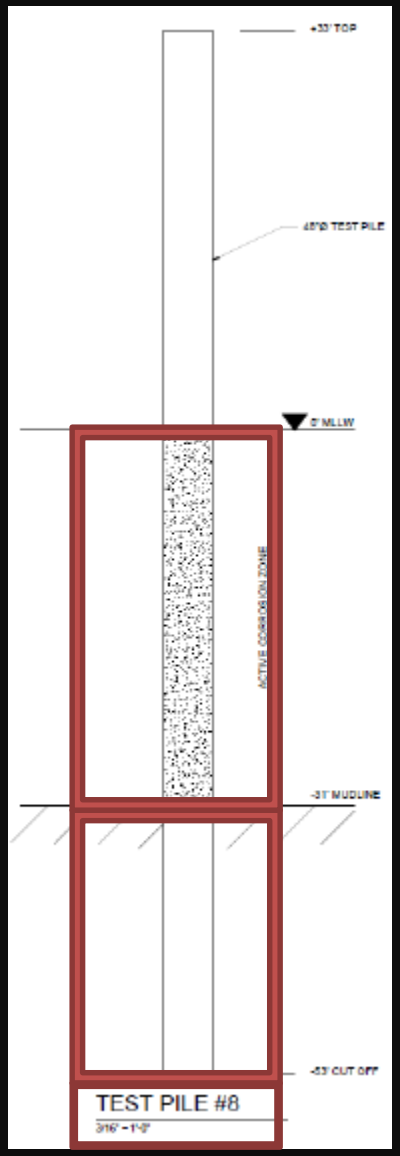
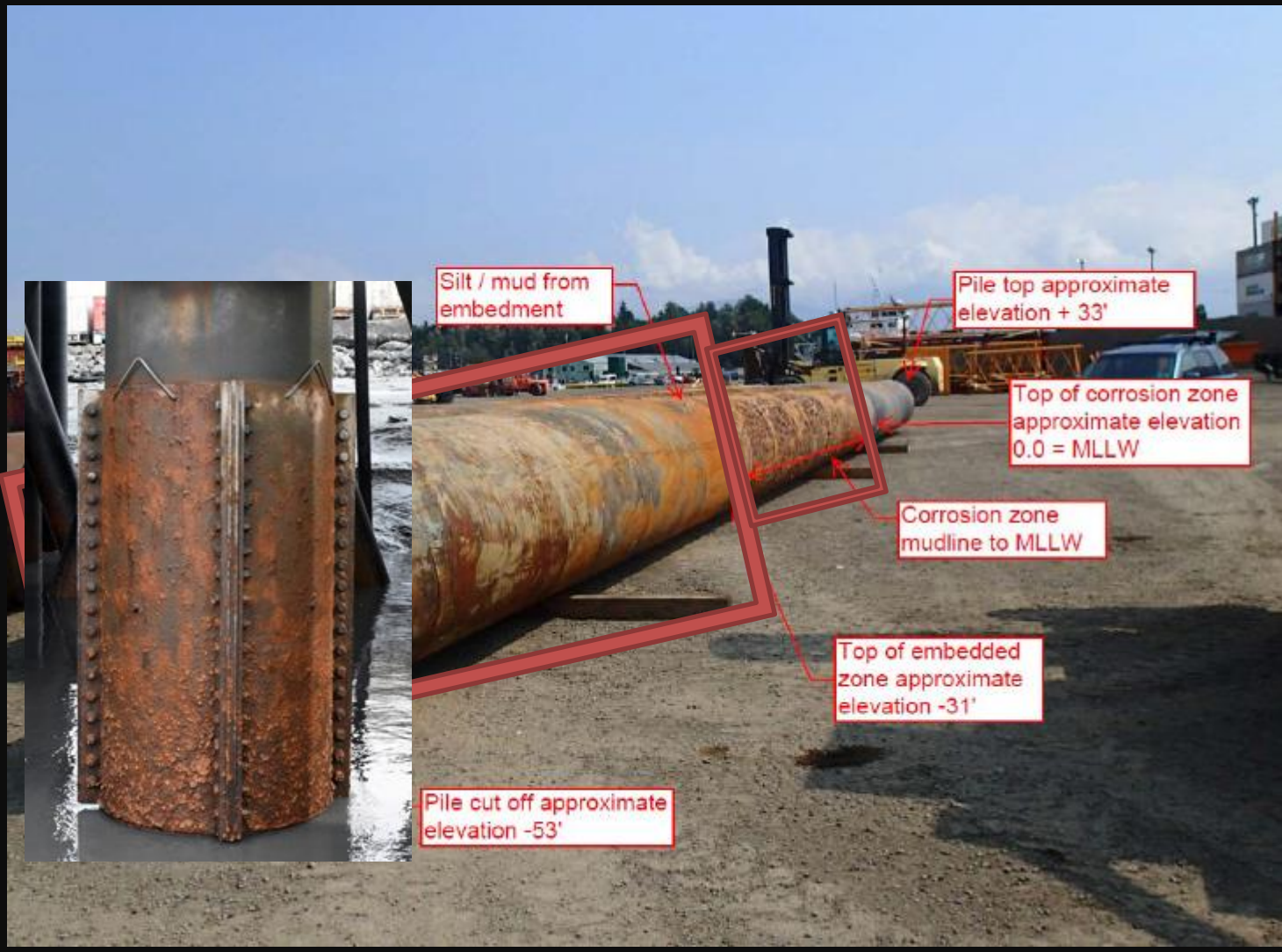
On-Going Repairs: Terminal 1

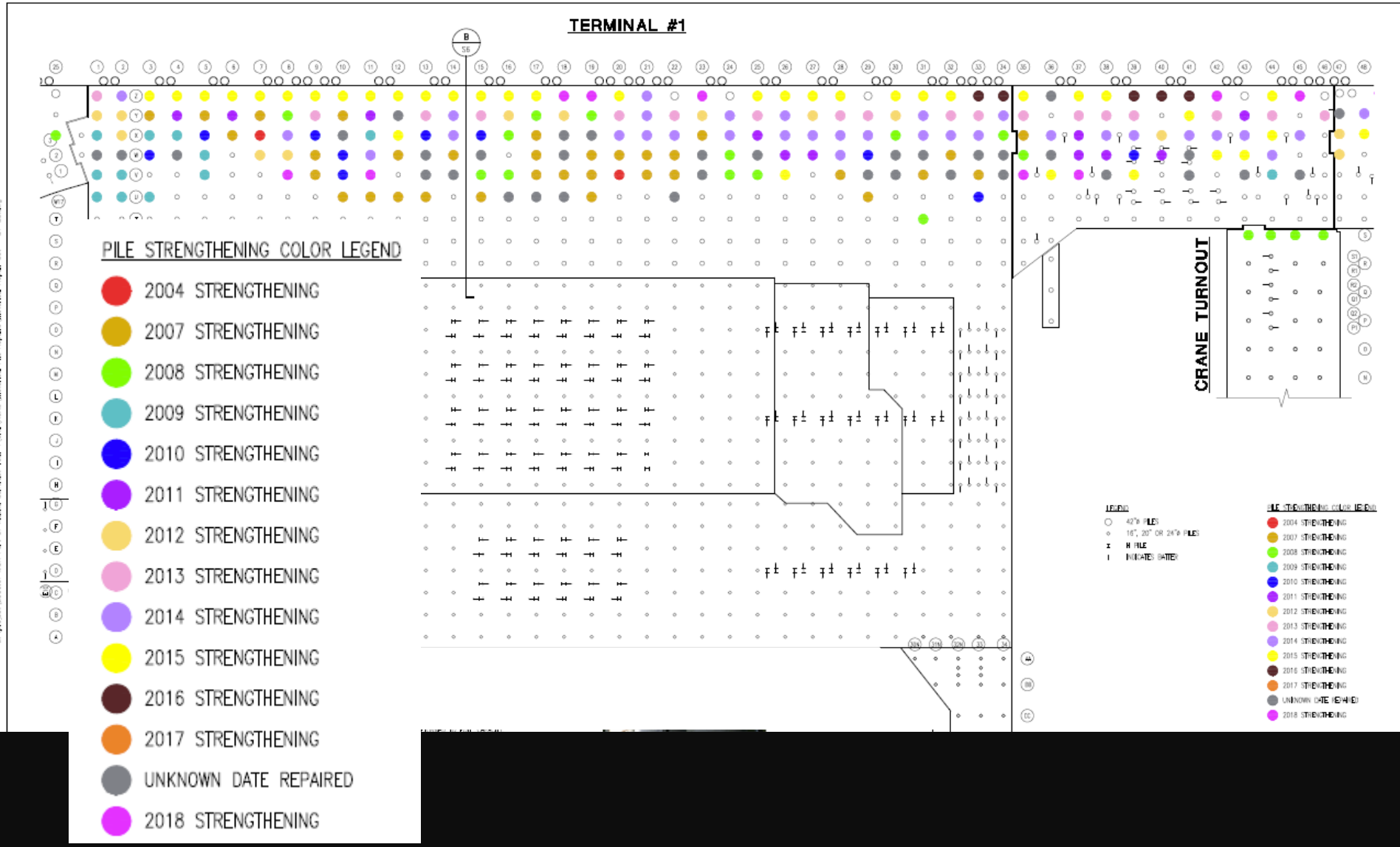


On-Going Repairs: Pile Jacketing the Corrosion Zone

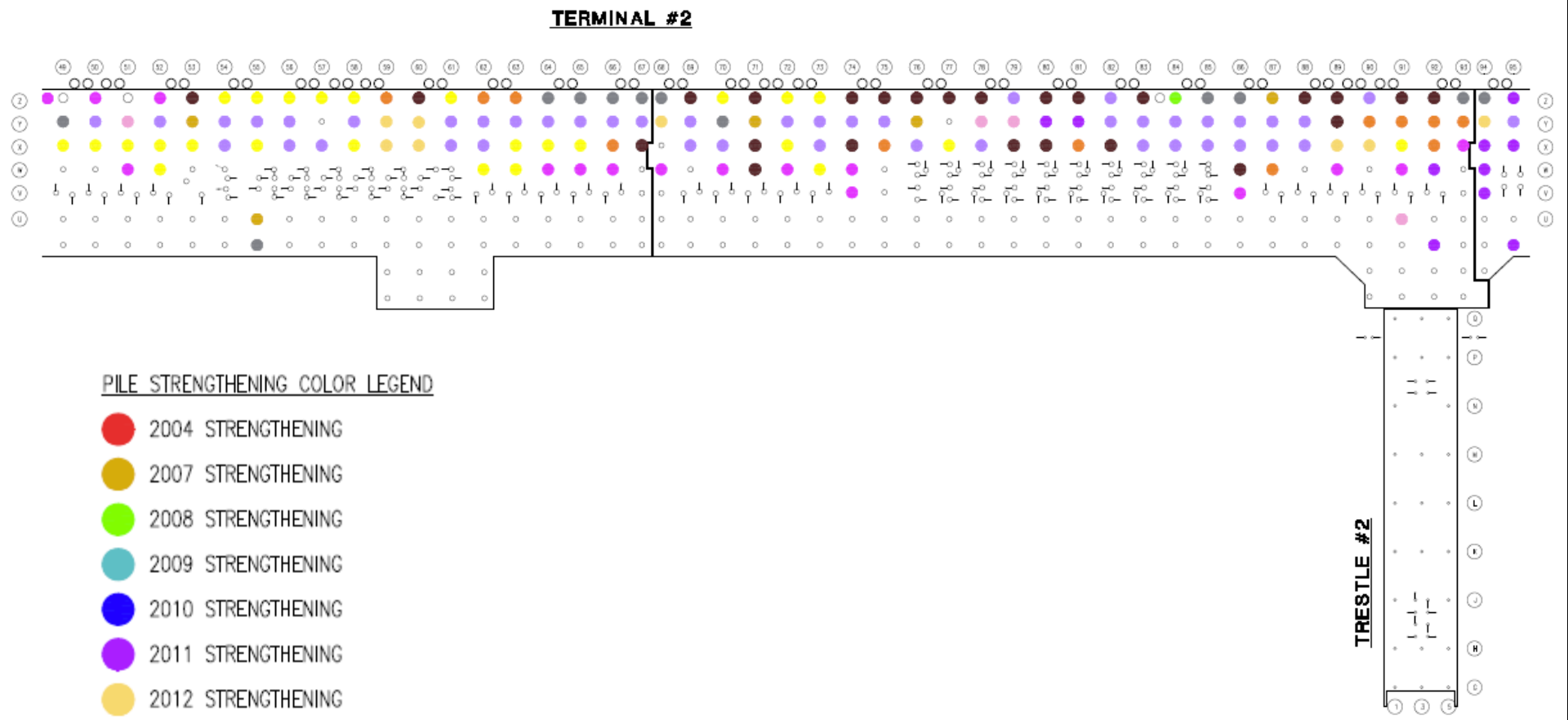




On-Going Repairs: Terminal 1



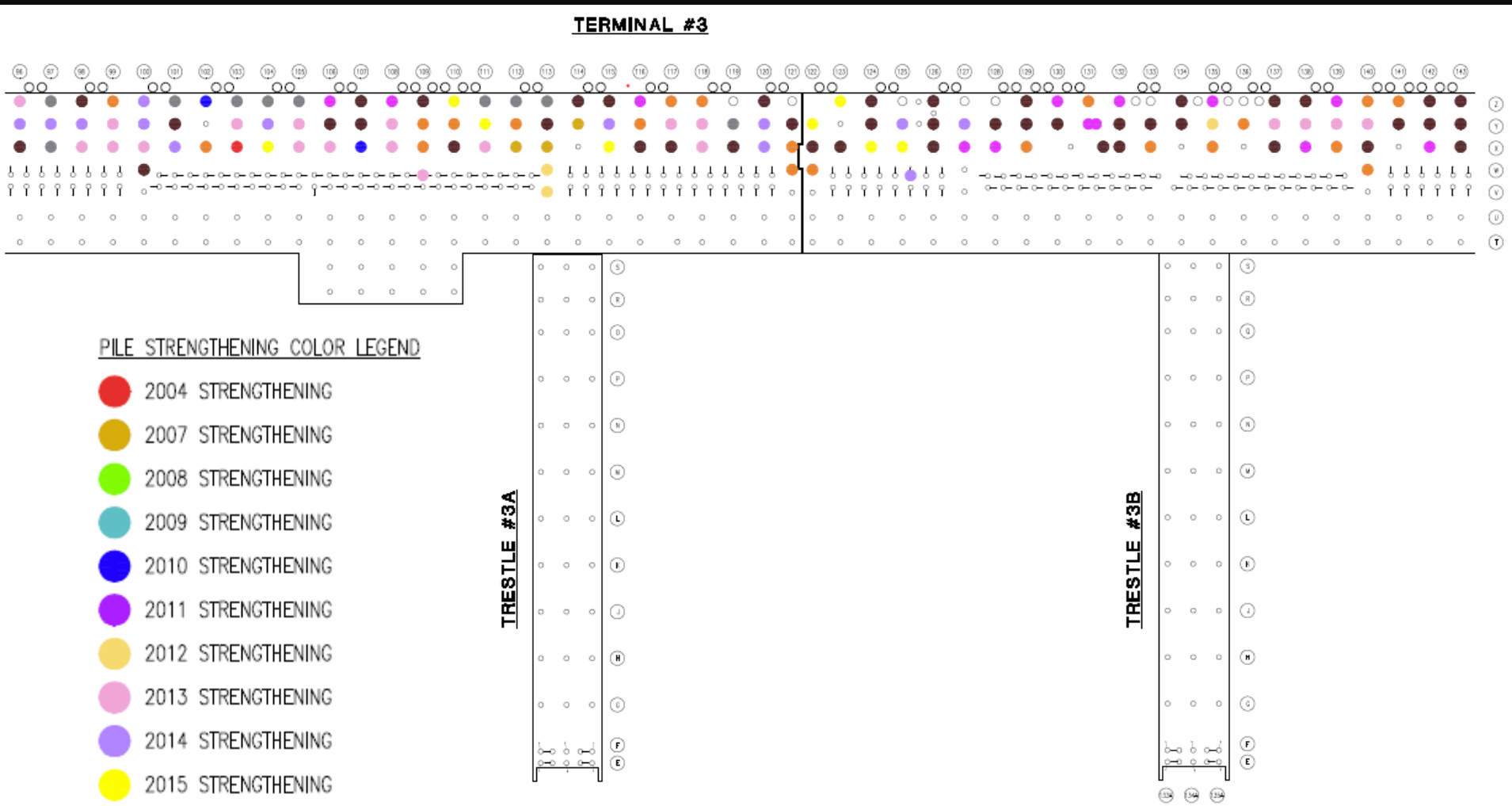
On-Going Repairs: Terminal 2



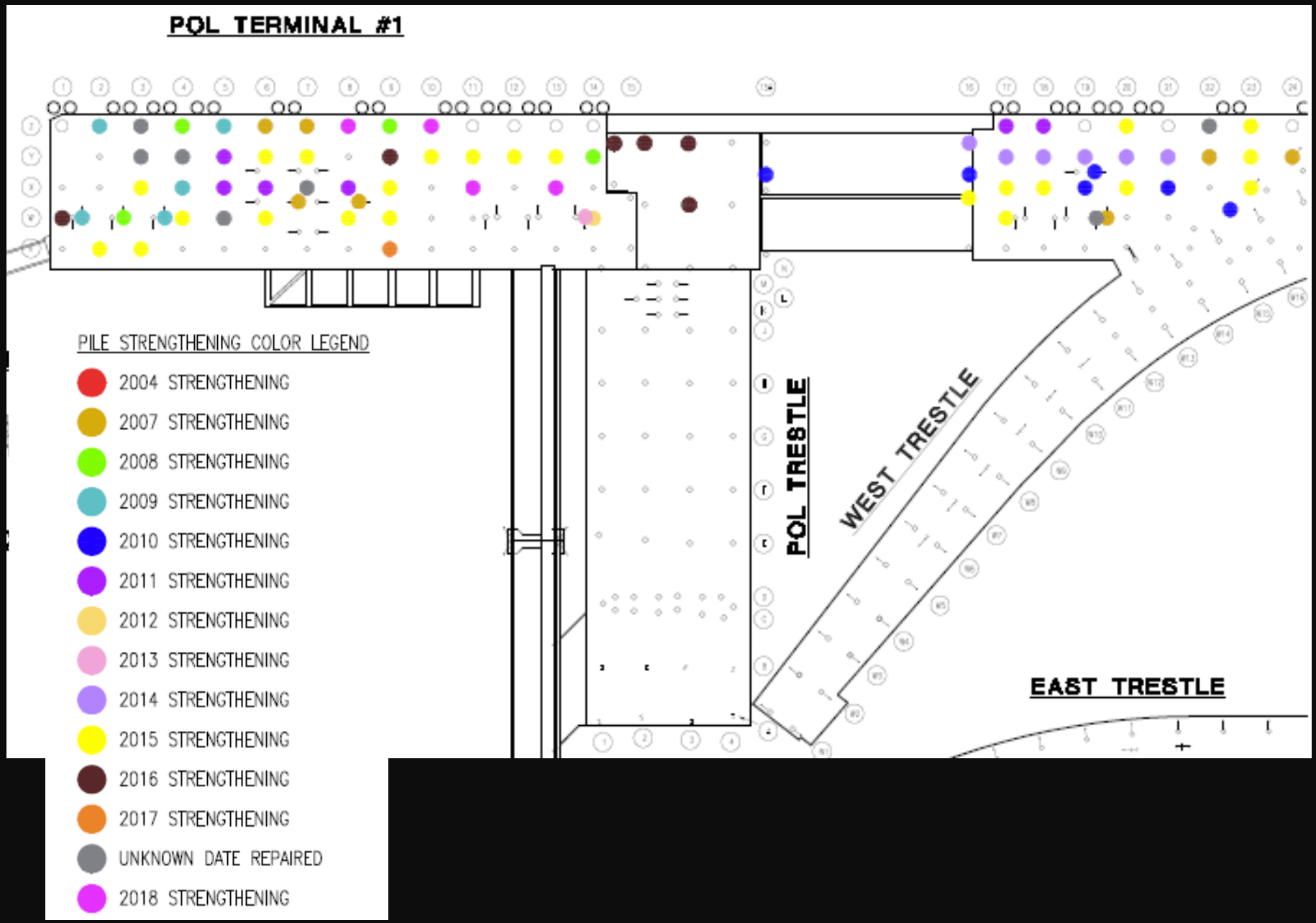
PILE STRENGTHENING COLOR LEGEND

- 2004 STRENGTHENING
- 2007 STRENGTHENING
- 2008 STRENGTHENING
- 2009 STRENGTHENING
- 2010 STRENGTHENING
- 2011 STRENGTHENING
- 2012 STRENGTHENING
- 2013 STRENGTHENING
- 2014 STRENGTHENING
- 2015 STRENGTHENING
- 2016 STRENGTHENING
- 2017 STRENGTHENING
- UNKNOWN DATE REPAIRED
- 2018 STRENGTHENING

On-Going Repairs: Terminal 3



On-Going Repairs: POL 1

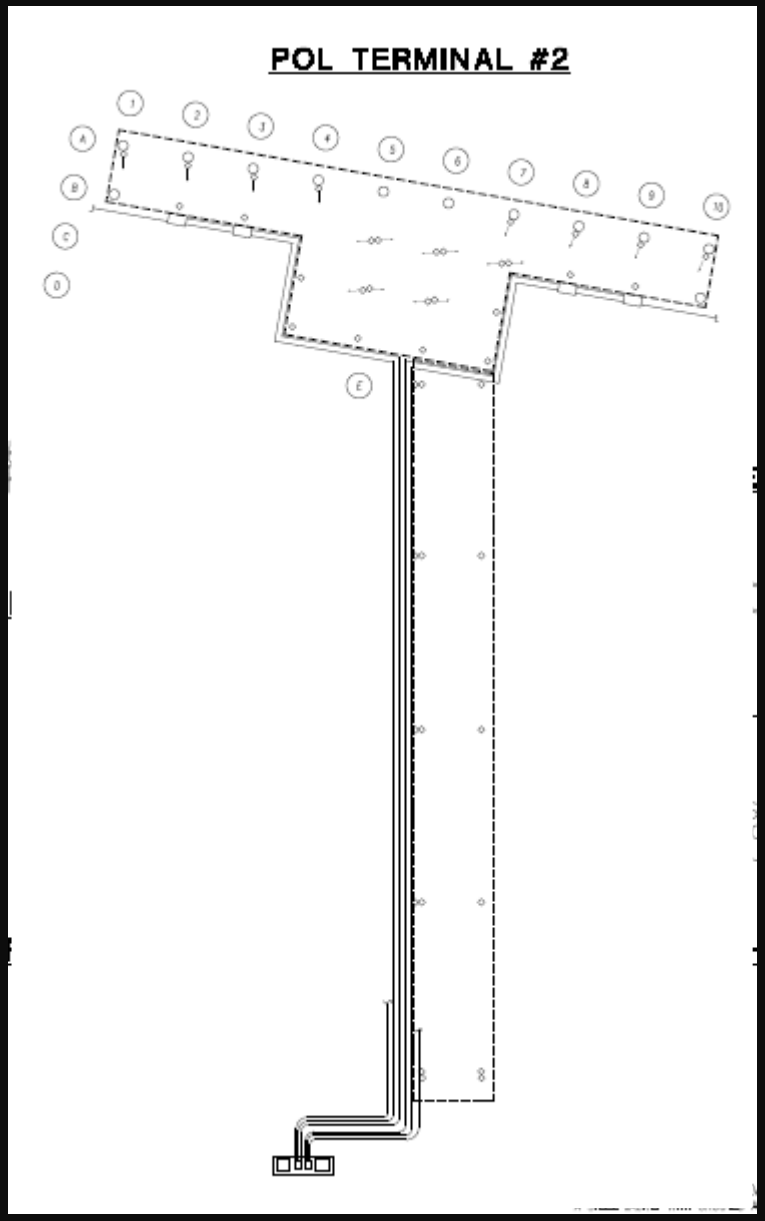


On-Going Repairs: POL 2

PILE STRENGTHENING COLOR LEGEND

- 2004 STRENGTHENING
- 2007 STRENGTHENING
- 2008 STRENGTHENING
- 2009 STRENGTHENING
- 2010 STRENGTHENING
- 2011 STRENGTHENING
- 2012 STRENGTHENING
- 2013 STRENGTHENING
- 2014 STRENGTHENING
- 2015 STRENGTHENING
- 2016 STRENGTHENING
- 2017 STRENGTHENING
- UNKNOWN DATE REPAIRED
- 2018 STRENGTHENING

Oct. 2019



On-Going Repairs: Summary

- 1400 Total Wharf Piles
  - 668 already jacketed

- $ 32,000 / jacket
  - 50 - 100 jackets / year
  - $1.6 million – $3.2 million/ year

R&M CONSULTANTS, INC.

"Jackets do not bring piles back to original capacity and jackets on vertical piles do not provide significant seismic resilience."

PORT of ALASKA
PortOfAlaska.com

Port of Alaska Modernization Program

PORT OF ANCHORAGE INTERMODAL EXPANSION PROJECT

ANCHORAGE, AK

CONCEPT PLAN CHARRETTE REPORT

January 15, 2013
U.S. Army Engineer District, Alaska
Task Order No. W912PP-09-D-0016, T.O. ZJ03
Project ANC027 WP5 – Recommended Concept Plan

ANCHORAGE PORT MODERNIZATION PROJECT

ANCHORAGE, AK

CONCEPT PLANNING CHARRETTE REPORT

October 3, 2014

Prepared for
Municipality of Anchorage / Port of Anchorage
CH2M Hill Task Order No. 03
Concept Design Study

2014 Charrette Stakeholder Representation

- Municipality of Anchorage
  - Geotechnical Advisory Commission (GAC)
- Port of Alaska

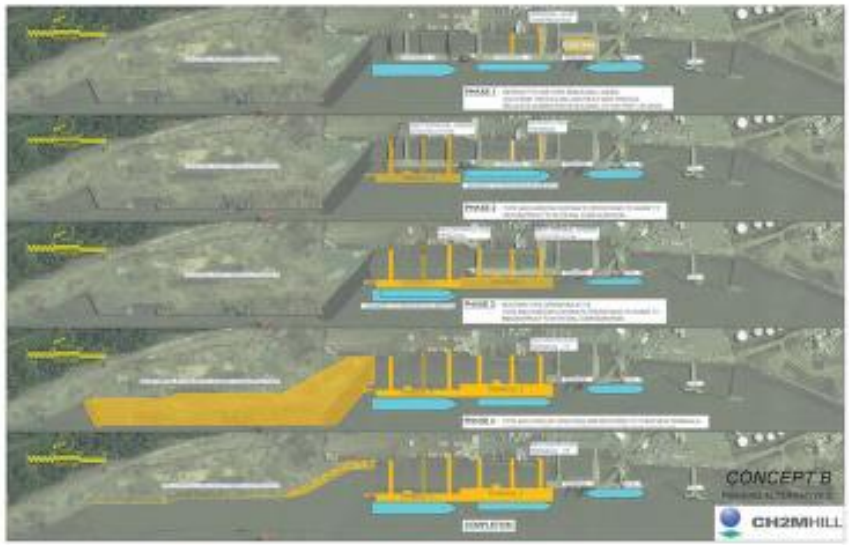
- Totem Ocean Trailer Express (TOTE)
- Horizon Lines (Now Matson)

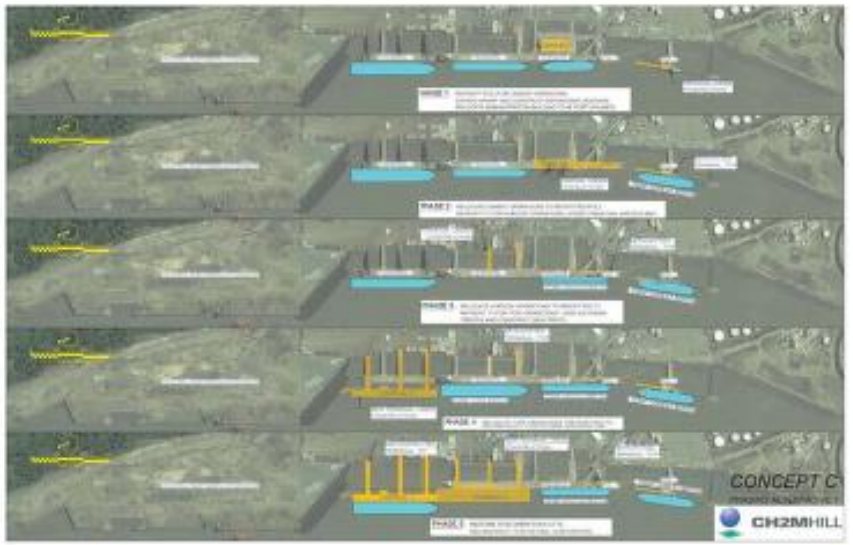
- ABI Cement

- Crowley

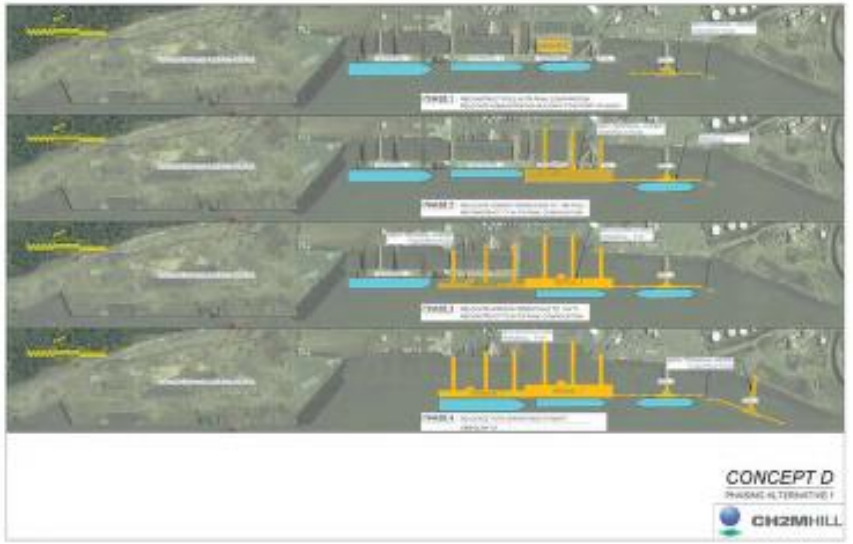
- Southwest Alaska Pilots Association
- Cook Inlet Tug & Barge

- US Army Corps of Engineers Alaska District (USACE)
- Alaska Railroad Corporation (ARRC)


CONCEPT B
CH2MHILL


CONCEPT C
CH2MHILL


CONCEPT C
CH2MHILL


CONCEPT D
CH2MHILL

PCT Design Review (35%, 65%, 95%)

- Municipality of Anchorage
- Port of Alaska
- ABI Cement
- ASIG/Menzies
- Crowley
- Delta Western
- Marathon
- NRC
- Southwest Alaska Pilots Association
- Cook Inlet Tug & Barge
- Harley Marine Services
- US Army Corps of Engineers Alaska District (USACE)
- Alaska Railroad Corporation (ARRC)

ANCHORAGE PORT MODERNIZATION PROGRAM

It is the collective opinion of the Southwest Alaska Pilots that utilizing the northern expansion along the legacy open-cell sheet piling, and out of the lee of Cairn Point, will very likely expose the vessels to a greater current and more ice than is desirable. Currents in the area of the northern expansion, where the proposed docks would be located, have been measured at nearly 6 knots. This is double the current encountered at the existing location and is therefore not feasible. More current and significant ice will be encountered if the docks are located further out into Knik Arm. Significant dredging may also need to take place for the northern expansion, potentially causing unintended consequences downstream. Additionally, the present location of docks at POA allows for limited turning room on approach (especially in ice). Locating the docks further to the north would reduce this turning room even more.

In summary, SWAPA sees no benefits and does not support utilizing the northern expansion.

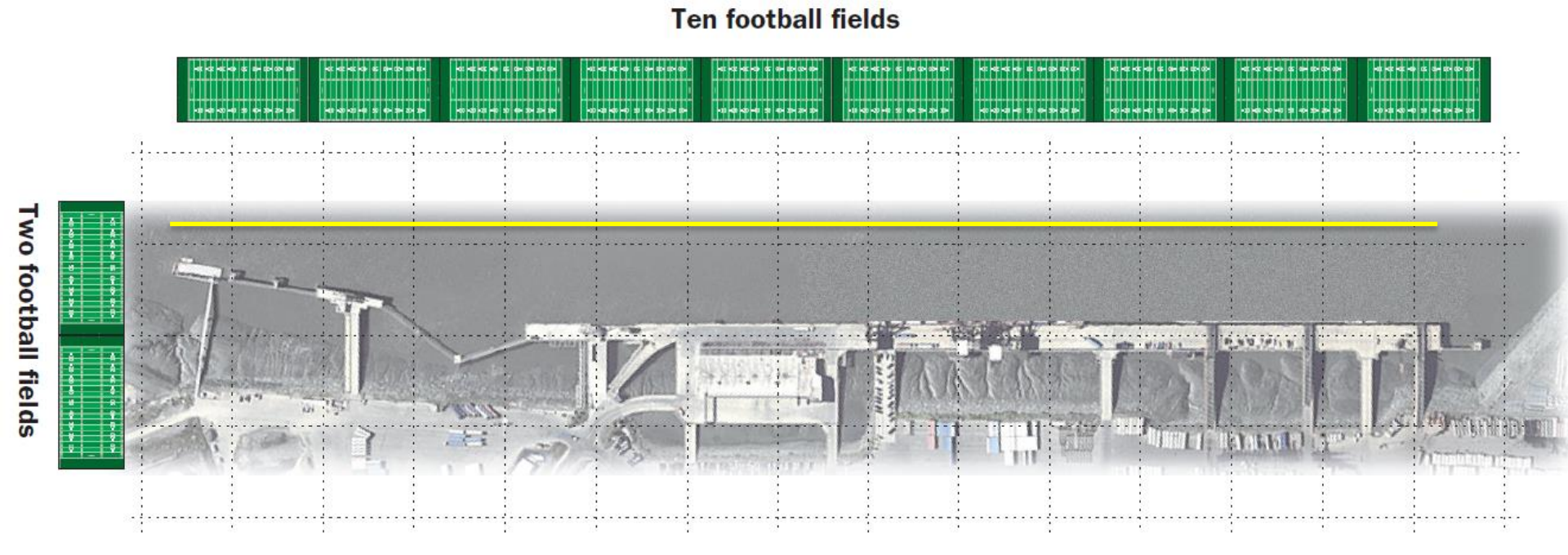
SAFEGUARD MARINE, LLC.

ANCHORAGE PORT MODERNIZATION PROGRAM

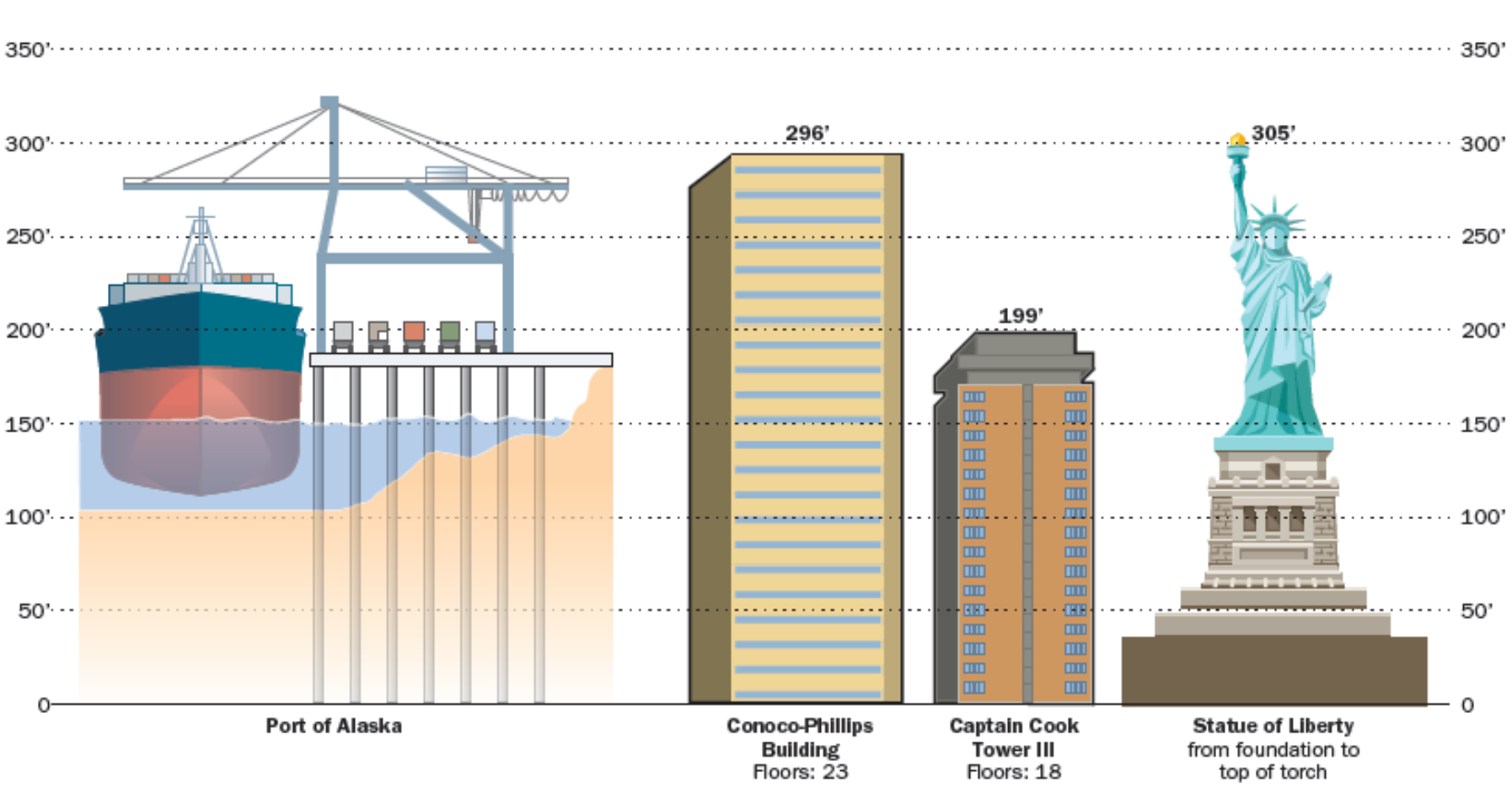
- High currents
- Expensive

- Proximity to Shore Facilities
- Expands possibilities for the remainder

Scale of Project



Scale of Project



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Money in the Program

2012 State Capital Grant	$29,400,000
2013 SB160 State Grant	$47,530,000
2013 State GO Bond	$49,000,000
Port of Alaska Cash 2017	$400,000
AR 2018-378 Grant	$19,600,000
Port of Alaska Cash 2019	$11,000,000
CURRENT FUNDING	$156,930,000

Money Spent to Date

		Committed	Uncommitted	Incurred
TOTAL PROGRAM FUNDING	$ 156,930,000	$ 96,222,169	$ 60,707,831	$ 53,175,578

Total Spent or Committed = $96.2 million

Total Funds Available = $60.7 million

ANCHORAGE PORT MODERNIZATION PROGRAM

- $ 5.8 million test-pile program
- $14.0 million south backlands stabilization
- $ 2.9 million south-floating dock relocation
- $22.1 million transitional dredging
- $ 6.2 million PCT soil improvements
- $51.0 million total construction

Money Spent to Date

		Committed	Uncommitted	Incurred
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Total Funds Available = $60.7 million

Form of Funds

State Funding	Funding	Committed	Uncommitted
2012 State Capital Grant	$ 29,400,000	$ 29,375,000	$ 25,000
2013 SB160 State Grant	$ 47,530,000	$ 33,994,825	$ 13,535,175
2013 State GO Bond	$ 49,000,000	$ 32,732,422	$ 16,267,578
2018 State Grant	$ 19,600,000	$ -	$ 19,600,000
TOTAL STATE FUNDING	**$ 145,530,000**	**$ 96,102,247**	**$ 49,427,753**

Other Funding	Funding	Committed	Uncommitted
Port of Alaska Cash	$ 11,400,000	$ 119,922	$ 11,280,078
TOTAL OTHER FUNDING	**$ 11,400,000**	**$ 119,922**	**$ 11,280,078**
TOTAL PROGRAM FUNDING	**$ 156,930,000**	**$ 96,222,169**	**$ 60,707,831**

DESIGNATED LEGISLATIVE GRANT AGREEMENT AMENDMENT

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Grantee Name	Grant Agreement Number	GAE
Municipality of Anchorage	12-DC-301	CVEC0820714
Project Title	**Effective Date of Amendment**	
Port of Anchorage Expansion	January 31, 2019	

Amendment # 5 – Extension

Form of Funds

State Funding	Funding	Committed	Uncommitted
2012 State Capital Grant	$ 29,400,000	$ 29,375,000	$ 25,000
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Attachment A
Scope of Work

1. Project Description

The purpose of this FY2019 Designated Legislative Grant in the amount of **$20,000,000.00** [*pursuant to the provisions of AS 37.05.315 Grants to Municipalities, SLA 2018, SB 142, Chapter 19, Section 1, Page 4, and Line 3*] is to provide funding to the Municipality of Anchorage for use towards the Port of Anchorage*. The funding will support the Port of Alaska Modernization Program, Phase I for design and construction of the Petroleum & Cement Terminal (PCT). The objective of this project is to provide a seismically resilient marine terminal for the transfer of refined petroleum products and cement to Anchorage and other communities linked by road, rail and air. The new PCT will enable the Port to eventually accommodate deeper draft vessels by allowing for a harbor depth increase from 35 to 45 feet. Completion of this project is critically important, as this Port serves approximately 87% of Alaska's population and is also one of 23 designated Department of Defense Strategic Seaports.

*Ordinance No. 2017-122 (S) amends Municipal Code chapter 11.50 to change the name from Port of Anchorage to Port of Alaska.

Form of Funds

State Funding	Funding	Committed	Uncommitted
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TOTAL PROGRAM FUNDING	$ 156,930,000	$ 96,222,169	$ 60,707,831

How best to use the $60.7 million?

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PORT OF ALASKA MODERNIZATION PROGRAM
PETROLEUM & CEMENT TERMINAL
2020 SCOPE OF WORK

INVITATION TO BID No. 2019C033

Municipality of Anchorage
PORT OF ALASKA
2000 ANCHORAGE PORT ROAD
Anchorage, AK 99501

- PCT Designer of Record (May 2017)

- Independent Cost-Estimator (Jan. 2018)

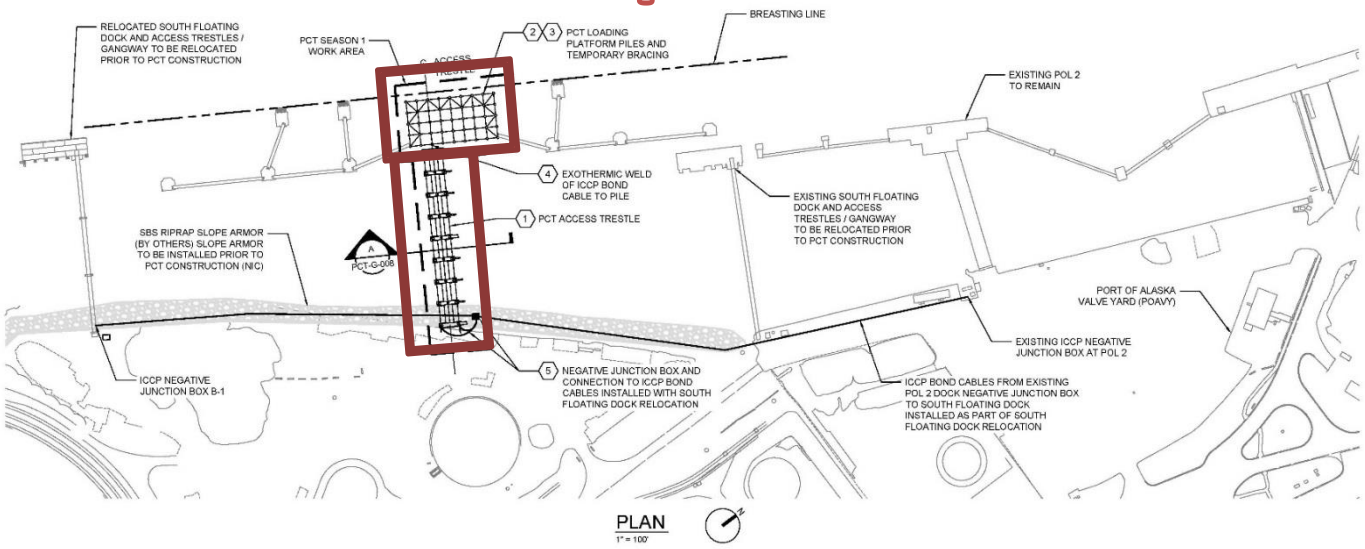
- PCT "Construction Manager at Risk" (Nov. 2017)

Pacific Pile & Marine

Preliminary Bid Abstract	Vendor # 1	Department's and/or Engineer's Estimate
	PACIFIC PILE & MARINE	
Local Vendor	NO	
Schedule A - Base Bid	$ 20,537,400.00	$ 35,997,264.00
Schedule B -Base Bid & Option 1	$ 31,968,000.00	$ 50,729,370.00
Schedule C - Base Bid & Option 1&2	$ 34,643,000.00	$ 54,882,225.00
Schedule D -Base Bid & Option 1-3	$ 39,174,900.00	$ 57,620,528.00
Schedule E -Base Bid & Option 1-4	$ 42,156,000.00	$ 61,427,826.00

Two Seasons: PCT 2020 Construction Scope

$42.1 million



NOTES

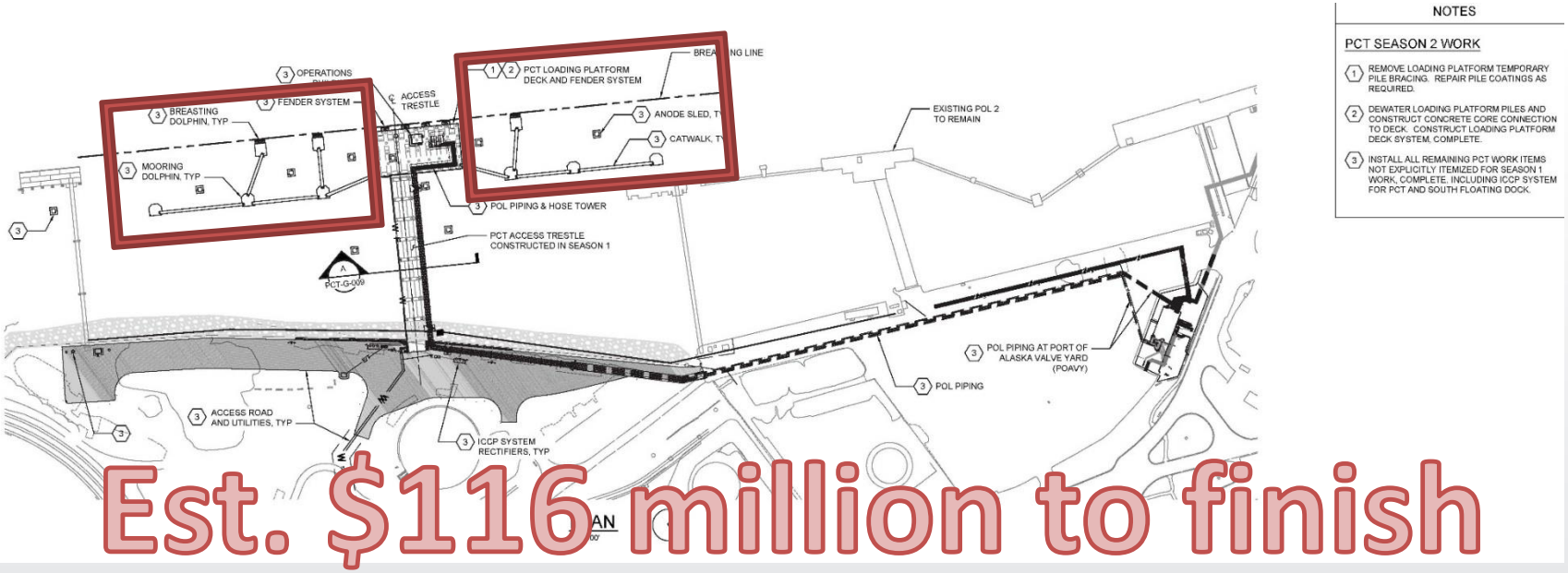
PCT SEASON 1 WORK

1. CONSTRUCT ACCESS TRESTLE STRUCTURE, COMPLETE, EXCEPT APPROACH SLAB, CONCRETE CURB, AND TRAFFIC BARRIER. PROTECT TRAFFIC BARRIER CURB BARS PROJECTING FROM TOPPING SLAB WITH TEMPORARY TRAFFIC BARRIERS AS REQUIRED.
2. INSTALL LOADING PLATFORM PILES. CUT PILES TO CUT-OFF ELEVATION.
3. INSTALL LOADING PLATFORM PILE TEMPORARY BRACING. SEE TEMPORARY BRACING DETAILS ON DRAWING PCT-G-010.
4. WELD ACCESS TRESTLE ICCP BOND CABLES TO ADJACENT LOADING PLATFORM PILE.
5. CONNECT ACCESS TRESTLE ICCP BOND CABLES TO EXISTING SOUTH FLOATING DOCK BOND CABLES AT JUNCTION BOX NEAR ACCESS TRESTLE ABUTMENT.

Access <u>trestle</u> up to top of deck, no piping or utilities
Platform piles with cathodic protection

Complete <u>platform</u>

Season 2: PCT 2021 Construction Scope



Est. $116 million to finish

Mooring and breasting dolphins
Petroleum piping and utilities
Hose tower and control building
Impressed current cathodic protection

Approx. $100 million funding short fall

Must have notice-to-proceed by Aug. 1

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 477-2019

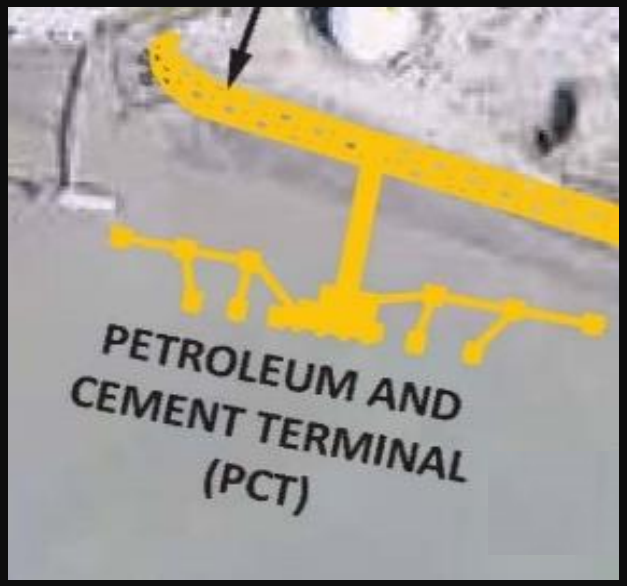
Meeting Date: July 23

From: Mayor

Subject: **RECOMMENDATION OF AWARD TO PACIFIC PILE & MARINE FOR PROGRAM PETROLEUM AND CEMENT TERMINAL (PCT) FOR THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (POA) (ITB 2019C033) ($42,156,000)**

Award of this bid will provide construction services to the Municipality of Anchorage, POA for the Petroleum and Cement Terminal 2020 Elements Project. This work comprises of furnishing all labor and materials identified within the ITB to complete portions of the PCT (the trestle and work platform). The remaining portions of the PCT will be awarded in subsequent construction contracts.

- The Port
- The Problem
- The Plan
- The Money
- The Bid
- The Questions
- The Alternatives
- The Recommendation



?

- Does proceeding cause the airlines to flee?
- Where does the rest of the money come from?
- What if we get stuck?
- Does this commit us to $2B project?

Municipality of Anchorage
Port of Alaska

$200 million

Parrish, Blessing and Associates

PORT of ALASKA

Port of Alaska Tariff Rate Projections Based on Parrish Blessing and Associates Analysis (DSCR 1.3) on Borrowing of $200 million

Revenues

Year	2018	2019	2020	2021	2022	2023
Petroleum Gallons (Assumed Demand)	11,366,194	11,366,194	11,366,194	11,366,194	11,366,194	11,366,194
Petroleum Tariff/Barrel Rate	$ 0.1579	$ 0.2290	$ 0.3321	$ 0.4817	$ 0.6986	$ 1.0132
Customer Cost Per Gallon	$ 0.0038	$ 0.0055	$ 0.0079	$ 0.0115	$ 0.0166	$ 0.0241
%^YoY	0.00%	45.03%	45.03%	45.03%	45.03%	45.03%
Petroleum Tariff "REVENUE REQUIREMENT"	**$ 1,794,722**	**$ 2,602,938**	**$ 3,775,118**	**$ 5,475,166**	**$ 7,940,794**	**$ 11,516,769**
Cement Pounds (Assumed Demand)	105,326	105,326	105,326	105,326	105,326	105,326
Cement Tariff/Ton	$ 1.6100	$ 2.2355	$ 3.1039	$ 4.3098	$ 5.9841	$ 8.3089
Customer Cost Per Pound	$ 0.0008	$ 0.0011	$ 0.0016	$ 0.0022	$ 0.0030	$ 0.0042
%^YoY	0.00%	38.85%	38.85%	38.85%	38.85%	38.85%
Cement Tariff "REVENUE REQUIREMENT"	**$ 169,575**	**$ 235,454**	**$ 326,926**	**$ 453,934**	**$ 630,284**	**$ 875,145**
Petroleum Tariff Revenue	$ 1,794,722	$ 2,602,938	$ 3,775,118	$ 5,475,166	$ 7,940,794	$ 11,516,769
Cement Tariff Revenue	$ 169,575	$ 235,454	$ 326,926	$ 453,934	$ 630,284	$ 875,145
Total Tariff Revenue	1,964,297	2,838,392	4,102,044	5,929,100	8,571,078	12,391,913
SBTP Revenue	-	-	-	-	-	-
Other Revenue	12,644,491	11,770,396	11,770,396	11,770,396	11,770,396	11,770,396
Total Revenue	**$ 14,608,788**	**$ 14,608,788**	**$ 15,872,440**	**$ 17,699,496**	**$ 20,341,474**	**$ 24,162,309**

Expenses

Year	2018	2019	2020	2021	2022	2023
Operating and Non-Operating Expenses	$ 14,896,590	$ 15,218,384	$ 11,765,414	$ 12,043,462	$ 12,340,677	$ 12,655,653
Projected Debt Service Petroleum/Cement	-	487,342	1,712,467	4,196,497	6,938,484	9,098,329
Projected Debt Allocated "All Other Sacs"	-	-	-	-	-	-
Total Expenses	**$ 14,896,590**	**$ 15,705,726**	**$ 13,477,882**	**$ 16,239,959**	**$ 19,279,161**	**$ 21,753,982**
Debt Service Coverage	**N/A**	**N/A**	**3.86**	**1.64**	**1.30**	**1.30**

Note: Estimated market price for cement is approx. $155/ton (FOB Port of Alaska); or approx. $0.08/lb

Goals for setting rates for Port of Alaska:

1. **Rates set to achieve revenue requirement, meaning…**
   a. meet its debt service coverage ratio of 1.3 or the ratio set by lender.
   b. meet its fiscal policy for operating reserves set at a minimum of 60 and maximum of 90 days coverage of operating expenses following GFOA best practices.
   c. meet is fiscal policy for debt reserves when revenue bonds are issued for capital improvements consistent with bond covenants.

ALASKA Journal of Commerce

Users say fuel tariff hikes would impact cargo operations at airport

By: Elwood Brehmer

Alaska Journal of Commerce

Post date: Mon, 03/18/2019 - 4:23pm

Cargo aircraft are seen at Ted Stevens Anchorage International Airport in this 2015 photo. Possible tariff hikes for fuel offloaded at the Port of Alaska may impact the decisions of operators who now stop to refuel in Anchorage, company officials said at a March 15 Assembly meeting. (Photo/Rob Stapleton/Anchorage Chamber of Commerce)

Municipality of Anchorage
Port of Alaska

Parrish, Blessing and Associates

Port of Alaska Tariff Rate Projections Based on Parrish Blessing and Associates Analysis (DSCR 1.3) on Borrowing of $200 million

Revenues

Year	2022	2023
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Petroleum Tariff/Barrel Rate	$ 0.6986	$ 1.0132
Customer Cost Per Gallon	$ 0.0166	$ 0.0241
%^YoY	45.03%	45.03%
Petroleum Tariff "REVENUE REQUIREMI	**$ 7,940,794**	**$ 11,516,769**
Cement Pounds (Assumed Demand)	105,326	105,326
Cement Tariff/Ton	$ 5.9841	$ 8.3089
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%^YoY	38.85%	38.85%
Cement Tariff "REVENUE REQUIREMEN	**$ 630,284**	**$ 875,145**
Petroleum Tariff Revenue	$ 7,940,794	$ 11,516,769
Cement Tariff Revenue	$ 630,284	$ 875,145
Total Tariff Revenue	8,571,078	12,391,913
SBTP Revenue	-	-
Other Revenue	11,770,396	11,770,396
Total Revenue	**$ 20,341,474**	**$ 24,162,309**

Expenses

Year	2022	2023
Operating and Non-Operating Expenses	$ 12,340,677	$ 12,655,653
Projected Debt Service Petroleum/Cement	6,938,484	9,098,329
Projected Debt Allocated "All Other Sacs"	-	-
Total Expenses	**$ 19,279,161**	**$ 21,753,982**
Debt Service Coverage	1.30	1.30

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Goals for setting rates for Port of Alaska:

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   c. meet is fiscal policy for debt reserves when revenue bonds are issued for capital improvements consistent with bond covenants.

PORT of ALASKA

2000 Anchorage Port Road
Anchorage, Alaska 99501
907-343-6200
PortOfAnchorage@Muni.org
PortOfAnc.com

Port Commission Resolution #19-02

Date: June 19, 2019
From: Anchorage Port Commission
Subject: Anchorage Port Commission Resolution No. 19-02

A RESOLUTION OF THE ANCHORAGE PORT COMMISSION SUPPORTING NO PORT OF ALASKA MODERNIZATION PROGRAM (PAMP)-RELATED TERMINAL TARIFF ADJUSTMENTS THAT MAY CAUSE ECONOMIC HARM TO PORT USERS OR THE OVERALL ALASKA ECONOMY, AND EXPRESSING THE SENSE OF THE COMMISSION THAT FUNDS NEEDED TO COMPLETE WORK ON THE PLANNED PETROLEUM/CEMENT TERMINAL SHOULD NOT BE RAISED SOLELY THROUGH TARIFF ADJUSTMENTS.

WHEREAS, pursuant to Anchorage Municipal Code 11.50.030.C, the Anchorage Port Commission is charged with promulgating the Port's Terminal Tariff subject to approval of the Anchorage Municipal Assembly and notification to the Federal Maritime Commission; and

Commits ONLY available funds

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 477-2019

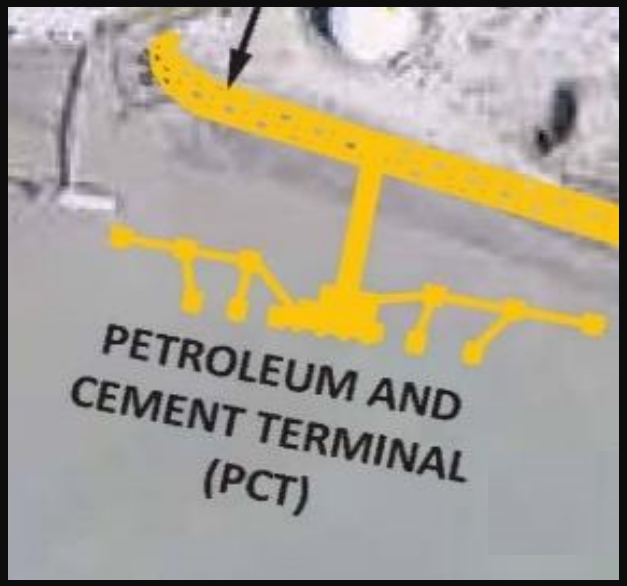
Meeting Date: July 23

From: Mayor

Subject: **RECOMMENDATION OF AWARD TO PACIFIC PILE & MARINE FOR PROGRAM PETROLEUM AND CEMENT TERMINAL (PCT) FOR THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (POA) (ITB 2019C033) ($42,156,000)**

Award of this bid will provide construction services to the Municipality of Anchorage, POA for the Petroleum and Cement Terminal 2020 Elements Project. This work comprises of furnishing all labor and materials identified within the ITB to complete portions of the PCT (the trestle and work platform). The remaining portions of the PCT will be awarded in subsequent construction contracts.

Does NOT require, or commit us to, tariff adjustments



?

- Does proceeding cause the airlines to flee?
- Where does the rest of the money come from?

Where the rest of the money comes from

- Federal grants
- State grants or financing
- Blended tariff adjustment on petroleum, cement and cargo

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision,
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Spec
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received:	4. Applicant Identifier:
01/16/2019	

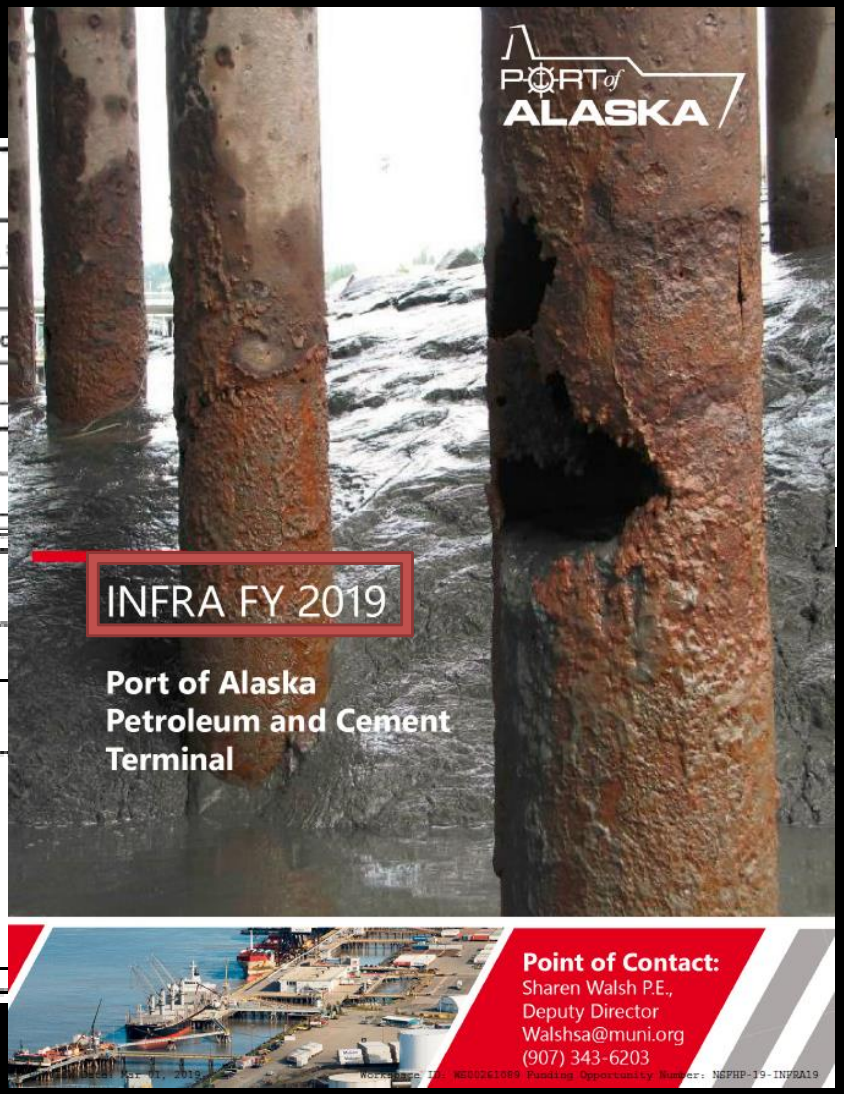
*** 12. Funding Opportunity Number:**

DHS-18-MT-047-000-99

*** Title:**

FY 2018 Pre-Disaster Mitigation

$4 million received for jacketing



Ask: $100 million (will know by year's end)

FEMA

Hazard Mitigation Grant Program

This section contains information about our Hazard Mitigation Grant Program (HMGP). The purpose of this page is to connect individuals and state, local, and tribal government representatives with the resources they need to implement hazard mitigation measures in their communities.

Ask: $22 million (will know by year's end)

Transportation.gov
U.S. Department of Transportation

About BUILD Grants

The Better Utilizing Investments to Leverage Development, or BUILD Transportation Discretionary Grant program, provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grants, Congress has dedicated nearly $7.1 billion for ten rounds of National Infrastructure Investments to fund projects that have a significant local or regional impact.

Ask: $25 million (will know by year's end)

Must have shovel-ready projects to apply

Where the rest of the money comes from

- Federal grants
- State grants or financing
- Blended tariff adjustment on petroleum, cement and cargo

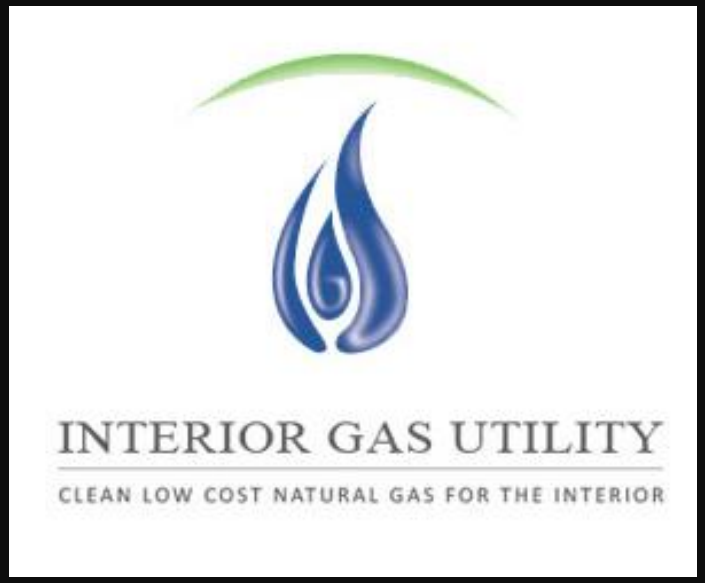
Priority Capital Request

Note: The Municipality of Anchorage is not submitting any State Capital Budget request in 2016. Instead, it asks the Legislature to include the Port of Anchorage Modernization Project as a 2016 State General Obligation (GO) Bond proposition.

Port of Anchorage Modernization Project bond request . . . . . $290 million

Funding is requested for design and modernization of facilities at Alaska's largest port, which handles three-quarters of all Southcentral Alaska /Railbelt-bound, waterborne, non-fuel, freight and 95 percent of all refined petroleum products. The Port of Anchorage is Alaska's port. It directly serves 85 percent of the state's population living and working in more than 250 cities, villages and communities. The Port is critical infrastructure for individuals, families and businesses across the state and is necessary to ensure Alaska's continued economic viability. The Port also serves the nation as one of 23 Department of Defense designated strategic seaports used to deploy U.S. warfighters' equipment and supplies internationally. However, the Port is more than half a century old and much of its critical infrastructure has exceeded its economic and design life. The Port needs modernization to safely and efficiently meet current and projected statewide shipping needs and to restore its resiliency to survive Alaska's harsh climate and seismic environment.

Terminal	Age (years)
Terminal 1 (general cargo)	54
Terminal 2 (cargo containers)	46
Terminal 3 (cargo containers)	40
POL Terminal 1 (petroleum, oil and lubricants)	50
POL Terminal 2 (cement, petroleum, oil and lubricants)	20



AIDEA

Alaska Industrial Development and Export Authority

- 50 year financing
- 0% for 15 years
- 0.25% for next 35

Municipality of Anchorage
Port of Alaska

Parrish, Blessing and Associates

Port of Alaska Tariff Rate Projections Based on Parrish Blessing and Associates Analysis (DSCR 1.3) on Borrowing of $200 million and Demand Elasticity of -10.00%

Assumptions

1) **The Municipality of Anchorage borrows $200 million at zero interest for the first 15 years and then beginning in Year 16, repays the loan over then next 35 years at 0.25% interest.**
2) **The Municipality of Anchorage creates a sinking fund that will be used to repay the entirely of the $200 million loan and save for replacement in year 75.**
3) **Only Petroleum and Cement Wharfage rates are increased to repay the $200 million loan.**
4) **All revenues generated by the rate increases will be deposited into the sinking fund.**
5) **Capital fund balance in excess of minimum reserve is transferred into sinking fund.**
6) **Rates set to achieve revenue target, meaning…**
   a. meet its debt service coverage ratio of 1.3 or the ratio set by lender.
   b. meet its fiscal policy for operating reserves set at a minimum of 60 and maximum of 90 days coverage of operating expenses following GFOA best practices.
   c. meet is fiscal policy for debt reserves when revenue bonds are issued for capital improvements consistent with bond covenants.

Tariffs increases drop by ~97% (at year 6)

Revenues

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026
Petroleum Barrels (Assumed Demand)	11,366,194	11,325,616	11,285,184	11,244,896	11,204,752	11,164,751	11,124,893	11,085,177	11,045,603
Petroleum Tariff/Barrel Rate	$ 0.1579	$ 0.1635	$ 0.1694	$ 0.1754	$ 0.1817	$ 0.1882	$ 0.1949	$ 0.2018	$ 0.2091
Customer Cost Per Gallon	$ 0.0038	$ 0.0039	$ 0.0040	$ 0.0042	$ 0.0043	$ 0.0045	$ 0.0046	$ 0.0048	$ 0.0050
%^YoY	0.00%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%
Petroleum Tariff Revenue	**$ 1,794,722**	**$ 1,852,158**	**$ 1,911,431**	**$ 1,972,602**	**$ 2,035,730**	**$ 2,100,879**	**$ 2,168,112**	**$ 2,237,498**	**$ 2,309,103**
Cement Tons (Assumed Demand)	105,326	104,950	104,575	104,202	103,830	103,459	103,090	102,722	102,355
Cement Tariff/Ton	$ 1.6100	$ 1.6675	$ 1.7270	$ 1.7887	$ 1.8525	$ 1.9186	$ 1.9871	$ 2.0581	$ 2.1316
Customer Cost Per Pound	$ 0.0008	$ 0.0008	$ 0.0009	$ 0.0009	$ 0.0009	$ 0.0010	$ 0.0010	$ 0.0010	$ 0.0011
%^YoY	0.00%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%	3.57%
Cement Tariff Revenue	**$ 169,575**	**$ 175,002**	**$ 180,602**	**$ 186,382**	**$ 192,347**	**$ 198,502**	**$ 204,855**	**$ 211,411**	**$ 218,177**
Petroleum Tariff Revenue	$ 1,794,722	$ 1,852,158	$ 1,911,431	$ 1,972,602	$ 2,035,730	$ 2,100,879	$ 2,168,112	$ 2,237,498	$ 2,309,103
Cement Tariff Revenue	$ 169,575	$ 175,002	$ 180,602	$ 186,382	$ 192,347	$ 198,502	$ 204,855	$ 211,411	$ 218,177
Total Tariff Revenue	1,964,297	2,027,160	2,092,034	2,158,984	2,228,077	2,299,381	2,372,967	2,448,908	2,527,280
STBP Revenue	-	-	-	-	-	-	-	-	-
Other Revenue	11,526,869	11,815,041	12,110,417	12,413,177	12,723,507	13,041,594	13,367,634	13,701,825	14,044,371
Total Revenue	**$ 13,491,166**	**$ 13,842,200**	**$ 14,202,451**	**$ 14,572,161**	**$ 14,951,584**	**$ 15,340,976**	**$ 15,740,602**	**$ 16,150,733**	**$ 16,571,650**

Expenses

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026
Operating and Non-Operating Expenses	$ 22,869,528	$ 15,281,246	$ 14,293,151	$ 12,236,064	$ 12,602,326	$ 12,988,557	$ 13,387,668	$ 13,800,191	$ 14,226,685
Projected Debt Service Petroleum/Cement	-	-	-	-	-	-	-	-	-
Projected Sinking Fund Contributions (PCT)	-	62,863	127,737	194,687	263,780	335,084	408,670	484,611	562,983
Operating Cash	$ 7,229,553	$ 3,752,478	$ 3,492,842	$ 2,969,107	$ 3,042,381	$ 3,120,034	$ 3,200,301	$ 3,283,294	$ 3,369,132
No. of Days of Operating Cash	177	90	90	90	90	90	90	90	90
Debt Service Coverage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PCT Sinking Fund Balance	$ -	$ 62,863	$ 193,742	$ 398,117	$ 681,803	$ 1,050,977	$ 1,790,252	$ 5,199,430	$ 8,851,048

Note: Estimated market price for cement is approx. $155/ton (FOB Port of Alaska); or approx. $0.08/lb

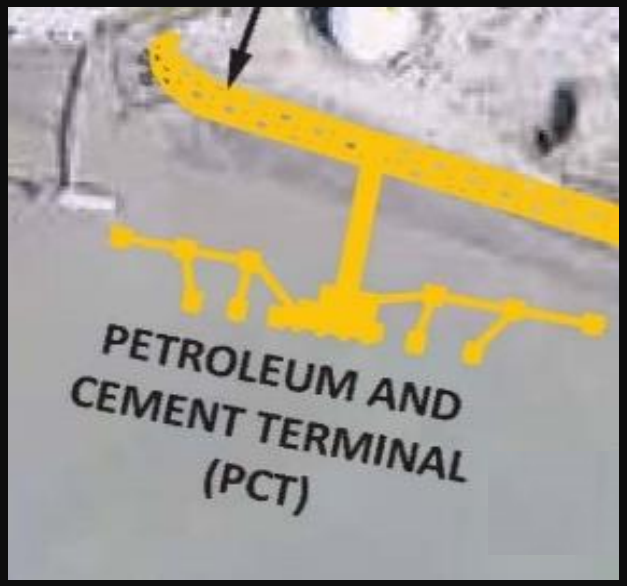
Where the rest of the money comes from

- Federal grants
- State grants or financing
- Blended tariff adjustment on petroleum, cement and cargo

TEU ("20-ft Equivalent") Cargo Surcharge

A 20-foot-long (6.1 m) ISO container equals 1 TEU.

TEU Surcharge	Average TEU Rate Per Pound	Est. Effect on a Gallon of Milk ($4.89 & 8 lbs)	Increase on Gallon of Milk	Annual Revenue Raised	Potential Size of Loan (@4% w/1.3 DSCR)
$10.00	$0.0013	$4.90	$0.01	$4,350,000	~$66 million
$16.00	$0.0021	$4.91	$0.02	$6,960,000	~$106 million
$25.00	$0.0033	$4.92	$0.03	$10,875,000	~$165 million
$50.00	$0.0067	$4.94	$0.05	$21,750,000	~$330 million
$100.00	$0.0133	$5.00	$0.11	$43,500,000	~ $660 million



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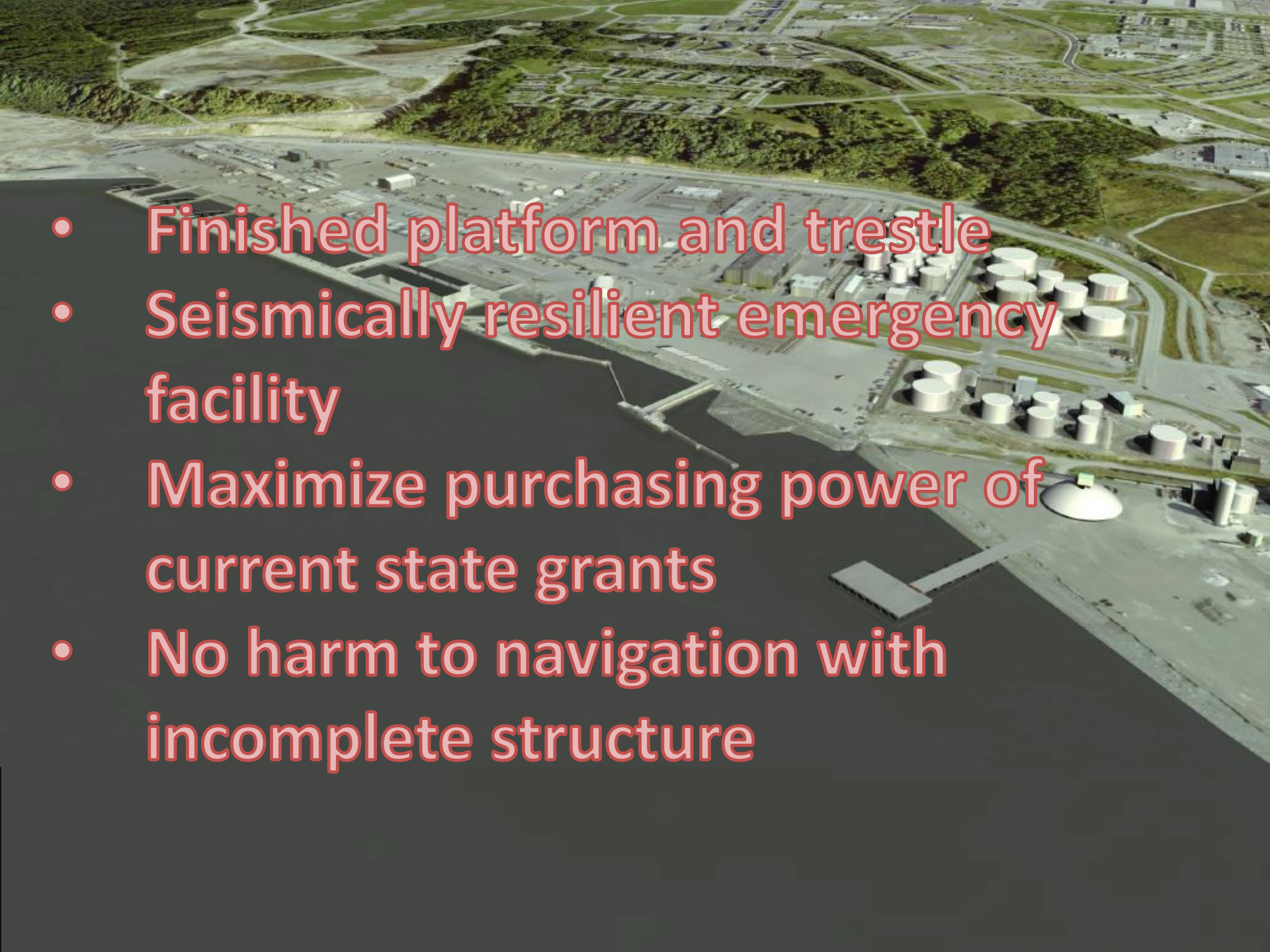
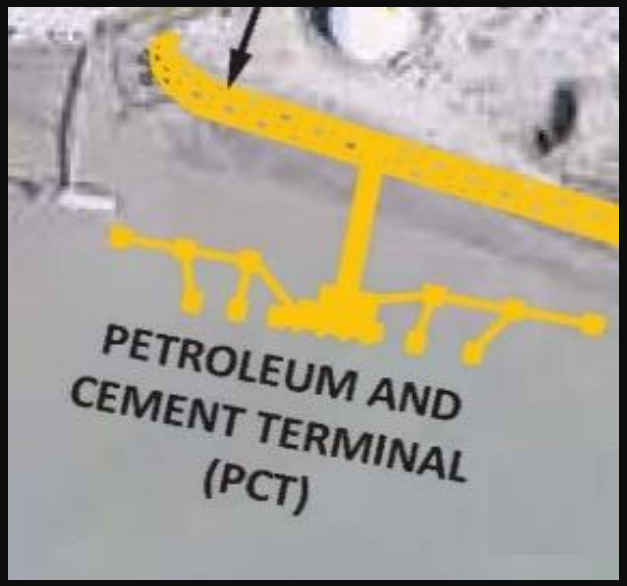
- Does proceeding cause the airlines to flee?
- Where does the rest of the money come from?
- What if we get stuck?



- Finished platform and trestle
- Seismically resilient emergency facility
- Maximize purchasing power of current state grants
- No harm to navigation with incomplete structure



?

- Does proceeding cause the airlines to flee?
- Where does the rest of the money come from?
- What if we get stuck?
- Does this commit us to $2B project?

No.

ANCHORAGE PORT MODERNIZATION PROGRAM

<30% Designed; Vast Majority of the Cost—but *Design Assumptions Likely Will Change*

Port of Alaska Modernization Program
Budget Report Summary Thru 3/29/2019

Project	Estimate At Complete	Funded	Funding Required
South Backlands Stabilization (SBS)	$ 18,503,837	$ 18,503,837	$ -
Petroleum and Cement Terminal (PCT)	$ 226,887,158	$ 116,194,035	$ 110,693,123
North Extension Stabilization Step 1 (NES1)	$ 122,945,878	$ 4,313,282	$ 118,632,596
Landside Buildings (LSB)	$ 15,611,067	$ 380,501	$ 15,230,567
Terminal 1 (T1)	$ 747,374,069	$ 8,887,177	$ 738,486,893
Terminal 2 (T2)	$ 446,079,706	$ 6,518,511	$ 439,561,195
Petroleum Terminal (PT)	$ 174,510,349	$ 2,266,532	$ 172,243,817
North Extension Stabilization Step 2 (NES2)	$ 131,857,050	$ 537,419	$ 131,319,630
Terminal 3 Demolition (T3)	$ 48,298,181	$ 194,722	$ 48,103,459
TOTAL	$ 1,932,067,295	$ 157,796,015	$ 1,774,271,280

- The Port
- The Problem
- The Plan
- The Money
- The Bid
- The Questions
- The Alternatives
- The Recommendation

- Repair in place
- Go north instead
- Delay
  - End up with PCT
  - End up with something else
- Build in front of POL 1
- Build a reduced PCT

Pause that Ends with PCT

Schedule

- 1 year delay

Seismic / corrosion risk

- Extended 1 year

Cost

- 3% Escalation on estimated PCT cost of $158m ($42m + $116m) = ~$5 million
- Risk of price increase on re-bid = ~$10 million?
- 1 year of extra jacketing = ~$2 million

- Repair in place
- Go north instead
- Delay
  - End up with PCT
  - End up with something else
- Build in front of POL 1
- Build a reduced PCT

Pause that Ends with *Something Very Like* the PCT

Schedule

- 1 year delay

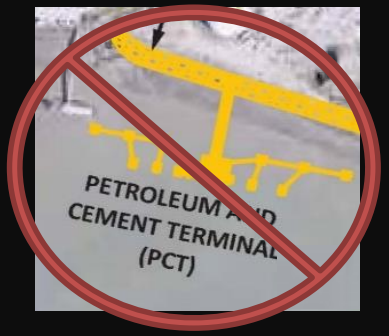
Seismic / corrosion risk

- Extended 1 year

Cost

- 3% Escalation on estimated PCT cost of $158m ($42m + $116m) = ~$5 million
- Risk of price increase on re-bid = ~$10 million?
- 1 year of extra jacketing = ~$2 million
- Cost savings due to changes ??? = ($__) million

Pause that Ends with Something Significantly Different from PCT



Schedule

- 2-3 year delay

Cost

- Re-design and permitting costs = ~$5 million
- 3% escalation for 2-3 years (assume $100m project) = ~$10 million
- 2-3 years of additional jacketing = ~$4 million
- Savings of new design (if any) = (___) ?

Seismic / corrosion risk

- Extended 2-3 years
- Concerns about getting to cargo docks

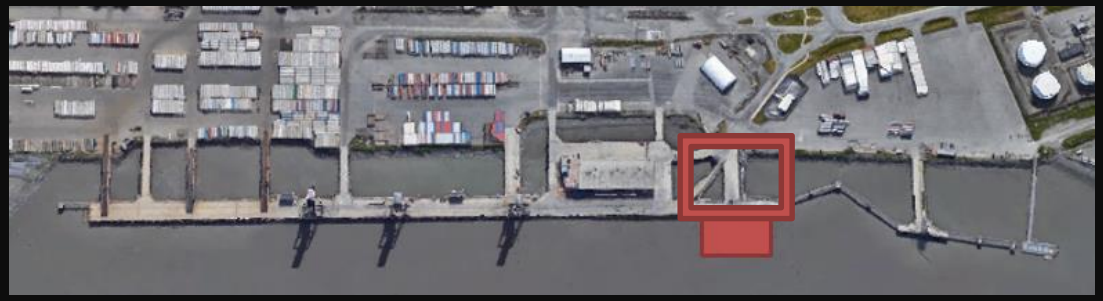
Impact on Federal Grants

- No shovel-ready project for 2-3 years

- Repair in place
- Go north instead
- Delay
  - End up with PCT
  - End up with something else
- Build in front of POL 1
- Build a reduced PCT

Build a platform in front of POL 1

Build a platform in front of POL 1



Safety

- Discontinuous berth face complicates navigation for cargo ships
- Not clear if Army Corp would permit, or how it would affect dredging program

Schedule

- 2-year delay (could be built in one year)

Cost

- Re-design and permitting costs = ~$3 million ?
- 3% escalation for 2 years (assume $42m project) = ~$2.5 million
- 2 years of additional jacketing = ~$4 million
- Petroleum and cement users could not access POL 1 for two years
- If trestle replaced, significant increased costs to trestle work
- If PCT is ever developed, significant re-dredging costs

Seismic / corrosion risk

- Extended 2 years at minimum, indefinitely if trestle not replaced

Impact on Federal Grants

- No shovel-ready project for 2-3 years

- Repair in place
- Go north instead
- Delay
  - End up with PCT
  - End up with something else
- Build in front of POL 1
- Build a reduced PCT

Possible “Deductive Alternatives”

- Reduce life from 75 years to 50 years
- Lower height from +44 to +40 (or +39)
- Narrow trestle

TO:	William Falsey, Municipal Manager
THRU:	Sharen Walsh, PE., Deputy Port Director
FROM:	Jeff Bool, PE, PMP, PMC Manager
DATE:	July 9, 2019

Suggestion #1 – Reduce Design Life from 75-years to 50-years

The current design requirement of a 75-year design life was discussed at the recent roundtable. Absent any code required design life, PCT incorporates 75-years based on industry practice trending from 50-years to 75-years for primary maritime infrastructure. Current designs, construction practices and materials make a 75-year life viable for a minimal additional cost over 50-year life, and this was considered appropriate for a Modernization program that incorporates future requirements such as future vessel size, dredge depth, etc.

It should be understood that the design life of 75-years applies to the primary structure, not other elements in the program. Other elements have varying design life based on usage and industry practice. As discussed at the roundtable, dolphin structures have a design life of 50-years, and items such as piping, buildings, and fenders have a design life of 25-years. Components that can be repaired or replaced with little disruption to the facility typically have a shorter design life than primary structural elements.

Cost

At the roundtable we discussed the reduction of the primary structure design life. Design life of the primary structure focuses on the aspect of pile corrosion, which is the governing degradation mechanism. The current design corrosion strategy relies on a combination of impressed current cathodic protection (ICCP), 1/8" sacrificial pile wall thickness, and pile coatings.

One way to reduce cost and design life from 75-years to 50-years would be to eliminate the pile coatings. The coatings are anticipated to provide 20-years of corrosion protection. Pile coatings were initially estimated to be $2M. If we eliminate the coatings, we will need to negotiate a deductive change order with Pacific Pile and Marine (PPM). The final deductive value would need to be justified from the PPM's material supplier quotations. The final costs may vary from the initial estimate but the $2M is within an order of magnitude cost reduction.

The ICCP system functions by providing power to the steel components exposed to corrosion. The power consumption increases as the pile coating fails over time and more surface steel is exposed. Initial calculations on power cost, without demand charges and anode sled replacement, reflect a power consumption cost for 50 years with coated piles to be $500,000. A simplistic analysis of power consumption on uncoated piles, taking years 20-70 on the coated pile power consumption calculations, yields a power consumption cost of $1,000,000. The effect of eliminating coatings will result in an increase in lifecycle cost of approximately $500,000 in power consumption.

The net reduction from modifying the design life requirement from 75-years to 50-years is on the order of $1,500,000.

Schedule

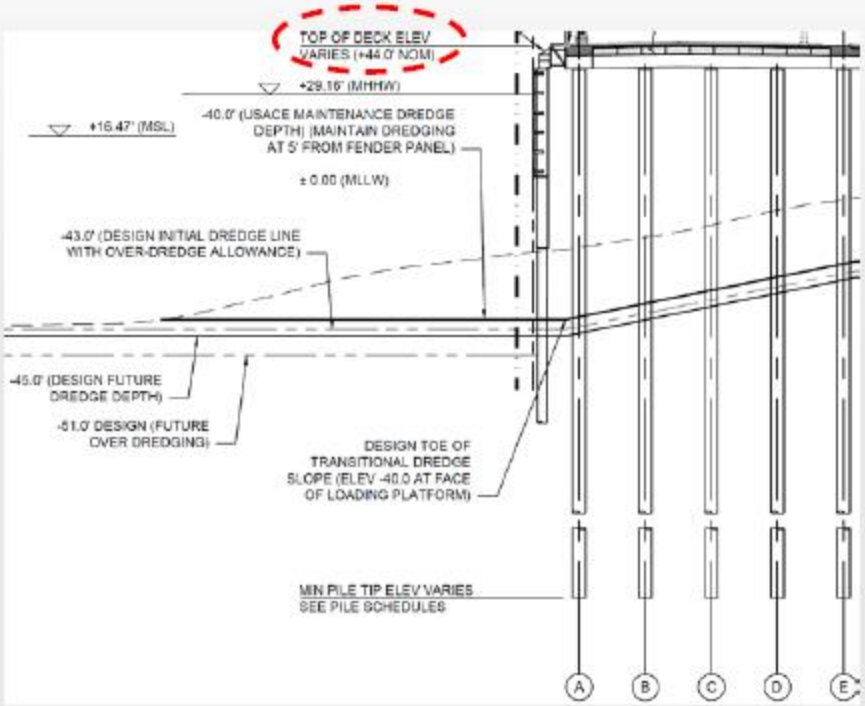
PPM's schedule indicates they need to give the pile supplier a Notice-to-Proceed by August 1, 2019. The supplier will have some lead time to order the raw steel for fabrication. If we notify PPM by August 1, there should be no schedule impact to eliminating the pile coating.

Possible “Deductive Alternatives”

- Reduce life from 75 years to 50 years
- Lower height from +44 to +40 (or +39)
- Narrow trestle

POA Requirement 4: Predicted Sea Level Rise

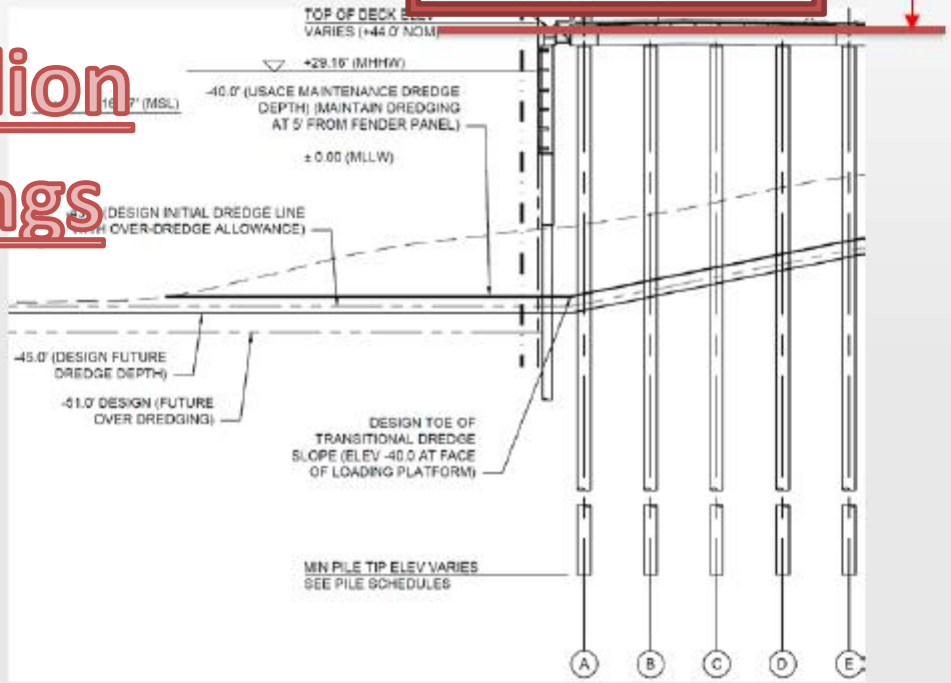
Current Requirement	Current Requirement Source	Minimum Requirement	Minimum Requirement Source
Deck heigh at +44 MLLW to meet 500 yr storm surge and Federal modeled sea level rise.	POA/FEMA	Maintain current terminal elevations of +40 or design for 500 year storm surge of +39.	UFC Criteria #2 for 500 year storm surge

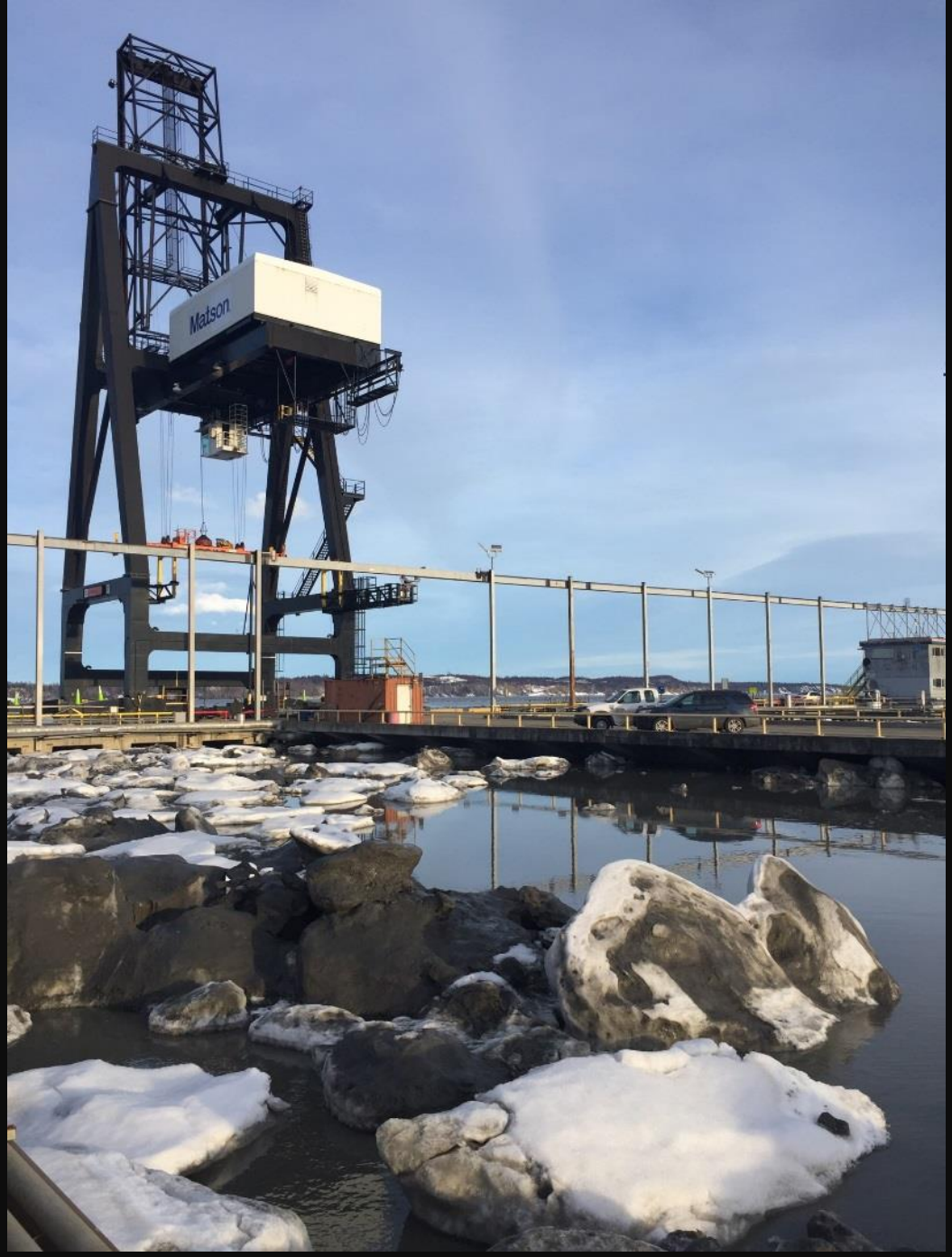


POA Requirement 4: Reduce sea level predictions

Operational Considerations	Investment Costs	Life-cycle Considerations	Potential Cost Reduction
Same as current operations	May lose FEMA grant	May experience overtopping of structure near end of design life	Lowering platform elevation saves piling material costs

Est. $2 million steel savings





+35 Tide now

Dropping from +44 design to +39 would likely expose underside of PCT to cyclical wetting and drying

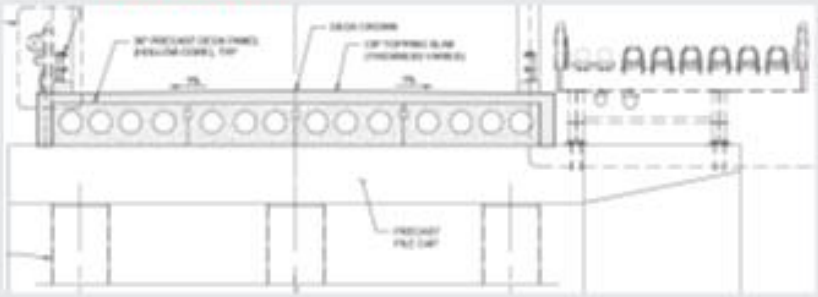
Possible “Deductive Alternatives”

- Reduce life from 75 years to 50 years
- Lower height from +44 to +40 (or +39)
- Narrow trestle

Requirement 8: ABI trestle width

	Current Requirement	Current Requirement Source	Minimum Requirement	Minimum Requirement Source
Trestle Width	32' wide trestle with 30' travel width Requirement	ABI Programming Charrette Input	Provide platform area for stationary uploader and 12-ft trestle travel way to support all other access requirements	24-ft trestle with 20-ft travel way to support all other vehicle access requirements

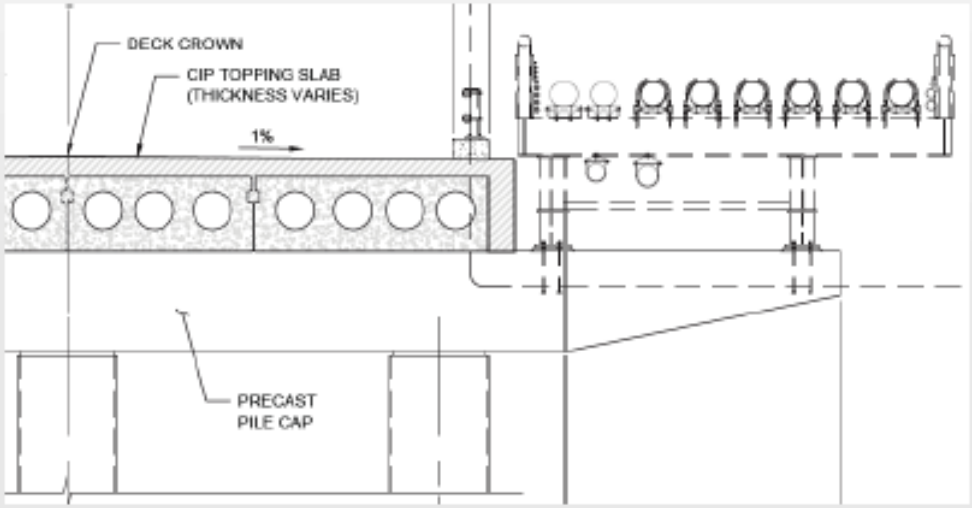
30' traveled way needed for new ABI unloader to traverse between land and platform



Requirement 8: Reduce trestle width

Operational Considerations	Investment Costs	Life-cycle Considerations	Potential Cost Reduction
Cement unloader has to winter in place on platform or be pulled off by floating gear if required	None, there is a cost savings.	Less trestle and piling to maintain	Cost savings unknown, requires analysis to determine if on row of piles can be deleted. Deck and pile cap width cost savings even if we cannot eliminate a row of piles

- Est. $3.5m in construction savings
- + Reduced annual M&O costs
- Could be deductive change order; no impact to schedule



- The Port
- The Problem
- The Plan
- The Money
- The Bid
- The Questions
- The Alternatives
- The Recommendation

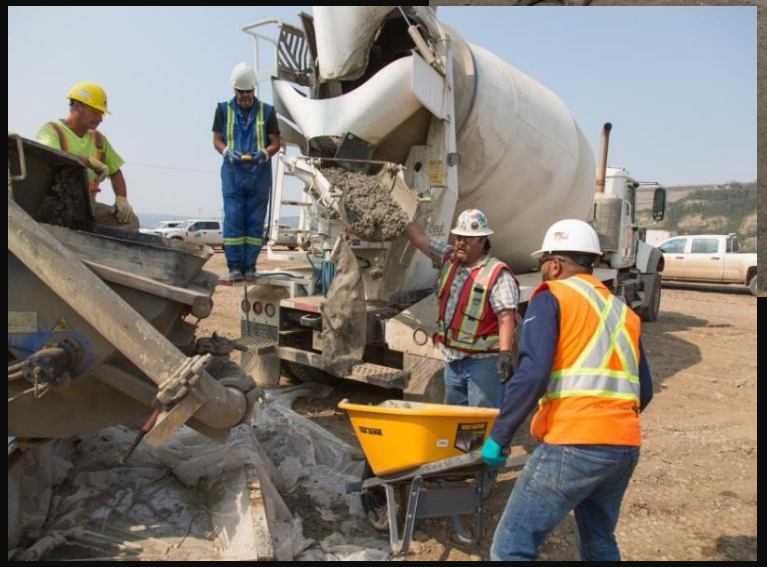

BOB HALLINEN/ANCHORAGE DAILY NEWS/2017APR03VO


EXIT
MUNICIPALITY OF ANCHORAGE

Need to Have


Murray's
DELICATESSEN


Holiday




ANCHORAGE WATER &
WASTEWATER UTILITY
3000 ARCTIC BLVD

Need to Protect

Alaska Trucking Association, Inc.
3443 Minnesota Drive · Anchorage, Alaska 99503 · Phone (907) 276-1149 · Fax (907) 274-1946
www.aktrucks.org
The authoritative voice of the trucking industry in Alaska

Anchorage's aging docks are the single biggest hazard to Alaska's import supply chain because they are a frail, single point of failure that is waiting to happen. There is no cost-effective alternative to reconstructing POA docks. Alaska's small and disperse population cannot economically support redundant facilities with adequate cargo-handling capacity to substitute for POA if it fails.

HEADQUARTERS ALASKAN COMMAND (ALCOM)

JOINT BASE ELMENDORF-RICHARDSON, ALASKA 99506

Lieutenant General Thomas A. Bussiere
Commander
Alaskan Command
9480 Pease Avenue, Suite 110
Joint Base Elmendorf-Richardson AK 99506

Our nation's ability to project power to combat theaters around the globe relies heavily on sealift. In 2016, the Military Surface Deployment and Distribution Command revalidated the Port of Alaska as a National Strategic Seaport in order to provide military planners and port operators with information critical to successfully executing contingency plans and operations for military installations in Alaska.

The Port of Alaska, as part of the United States Maritime Administration's National Port Readiness network, is key to these operations. Since 2005, military cargo in the form of combat vehicles, weaponry, and support equipment have passed through the port, utilizing over 25 acres of land for staging, and up to three berths for all cargo types including bulk, containerized, heavy-lift, and roll-on/roll-off assets essential to deploying/redeploying combat forces from Alaska.

In addition to supporting deployment operations, over 50 million gallons of military aviation fuel, as well as approximately 4,600 inbound & 6,300 outbound military household goods shipments, and 2,500 vehicle shipments flow through the Port of Alaska annually. Furthermore, the port is the largest single point of throughput for commodities stocked in our base exchanges and commissaries supporting over 55,000 military family members.

The Port's significance to operations and contingencies cannot be overstated. Sustaining the capabilities of the Port of Alaska remains crucial to our ability to carry out our military missions and support significant military investment in Alaska over the next 5-10 years.

- Get the volumes in
- Reliably
- Do it cheaply

Congress of the United States
Washington, DC 20515

July 10, 2019

The Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20515

Dear Secretary Chao:

We are writing to express our support for an application submitted jointly by the Municipality of Anchorage, Alaska and the Port of Alaska to the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant program. The Municipality and Port are seeking funding to assist with the first phase of the "Port of Alaska Modernization Program (PAMP)," a project vital to the economic security of Alaskans.

Sincerely,

DON YOUNG
Congressman for All Alaska

LISA MURKOWSKI
United States Senator

DAN SULLIVAN
United States Senator

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 477-2019

Meeting Date: July 23

From: Mayor

Subject: **RECOMMENDATION OF AWARD TO PACIFIC PILE & MARINE FOR PROGRAM PETROLEUM AND CEMENT TERMINAL (PCT) FOR THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (POA) (ITB 2019C033) ($42,156,000)**

Award of this bid will provide construction services to the Municipality of Anchorage, POA for the Petroleum and Cement Terminal 2020 Elements Project. This work comprises of furnishing all labor and materials identified within the ITB to complete portions of the PCT (the trestle and work platform). The remaining portions of the PCT will be awarded in subsequent construction contracts.

- Award PCT
- Administration will explore and present on possible deductive alternatives

PORT of ALASKA