



PORT OF ANCHORAGE



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**BUSINESS PLAN/  
STRATEGIC PLAN**

# PORT OF ANCHORAGE 2000 BUSINESS PLAN

## MISSION

Provide a modern, safe and efficient Regional Port which stimulates economic development and the movement of goods into and out of Southcentral Alaska. Expand and maintain existing property, facilities and equipment to meet growth in established marine trade, to encourage natural resource exports, and to create employment opportunities by attracting new industry and new cargo movement. Support and assist increases in cargo movement that will aid and stimulate domestic and international business activities throughout the Railbelt and other areas of the State serviced by the Port.

## MAJOR GOALS

The overall goal of the Port of Anchorage is to implement a market driven Master Plan through the year 2020 for the Regional Port of Anchorage which will guide a pragmatic, environmentally sound program to stimulate and accommodate economic development, employment opportunities and an efficient transportation network serving Alaska. This will be achieved through the following specific goals:

1. Provide water transportation facilities for the import and export of commercial cargoes to or from Anchorage, the Railbelt, western Alaska and the interior of Alaska.
2. Manage and maintain the facilities in a manner that will enable carriers to operate efficiently and safely, thereby holding down transportation costs for consumers.
3. Effectively manage Port financial resources to insure that the Port operates at an adequate rate-of-return to sustain funding of Port operations and maintenance programs and to ensure funding for future Port growth and capital projects.
4. Develop additional property to meet industry demands that require marine transportation and increase economic activity in the areas of the State served by the Port.
5. Provide professional port transportation expertise to existing and potential customers.
6. Improve both marine and landside access to the Port with a new road and rail transportation corridor and with the establishment of deep draft navigation lanes in Upper Cook Inlet.
7. To effectively use existing Port property to expand or maintain economic prosperity for the Port through across-dock activities.

## **EXTERNAL FACTORS AFFECTING THE PORT**

1. Increased production capacity of the North Pole and Nikiski refineries combined with demand for petroleum products at Anchorage International Airport and in Southwestern Alaska.
2. Population changes which impact marine cargo transportation activities.
3. Anticipated demand for developed Port land by marine transportation dependent companies.
4. Cargo capacity at competitive Southcentral ports.
5. Efforts to develop additional marine terminals and port facilities in Southcentral Alaska.
6. Efforts to develop the Port of Anchorage's participation in resource development including mega-module assembly and transport, fish, minerals, forest products, petroleum and agricultural products.
7. Military interest in utilization of the Port.
8. World market spot price of basic energy related commodities.
9. Overland transportation costs.
10. Financial liabilities associated with past and potential accidental hydrocarbon contamination by Port tenants and neighboring property owners/tenants.
11. Unfunded Federal mandates which impose higher port development costs.
12. Development of new North Slope oil fields.
13. Landside and waterside access to the Port.

## **PLANNING ASSUMPTIONS**

The following assumptions have been used in developing the Port's 2000-2005 plans. They are not intended to be a fixed course of action. They are, however, the best data available at this stage of planning.

1. Tonnage Growth
  - . 2000 general cargo tonnage should equal or exceed that of 1999 and continue to increase each year thereafter.

- . 2000 outbound bulk petroleum tonnage should equal that of 1999.
  - . Inbound bulk petroleum tonnage will fluctuate depending on demand, primarily at Anchorage International Airport and Elmendorf Air Force Base, upgrades to instate refineries, and the world market spot price of petroleum products.
2. Marine industrial land base requirements will change in response to expanding commercial activity.
  3. Cooperative joint development efforts, such as mega-module assembly and load out, may contribute to the Port land and business base.
  4. In the future, Anchorage will face increased competition in attracting the major portion of new industrial activity in the state and in maintaining its position as the hub of marketing and distribution activity.

### **OBJECTIVES/PROGRAMS**

1. Develop Additional Staging, Storage and Industrial Areas
  - . Development of tideland properties, conveyed to the Municipality (Port), to provide access to the North Tidelands and to satisfy customer requirements.
  - . Initiate industrial marketing program utilizing long-term Port expansion sites to attract new users.
  - . Improve efficiency of petroleum and cement cargo landing facilities.
2. Maintain and Upgrade Existing Port Facilities
  - . Annual repair and/or replacement of dock facilities.
  - . Annual modification to various Port facilities to meet current code requirements.
  - . Upgrade and expand South Terminal.
  - . Provide for safe Port operating facilities during inclement weather by maintaining adequate snow/ice removal and sanding programs at the Port, on certain access routes and other Port properties.
3. Long Range Planning
  - . Effect changes to the Port's 2001 Business Plan which reflect the Port's new long range Master Plan.

- . Coordinate continued regional State and military Port usage and joint land development.
  - . Support and/or formulate initiatives which enhance the development of multimodal transportation systems in areas of the State served by the Port.
  - . Upon completion of the Terminal Road extension, vacate the northern portion of Tidewater Road to include an extensive re-plat of Port Transit Areas and Industrial Park Lots North of Lot 4A and Transit Area A.
  - . Improve accommodation of cruise ships.
  - . Plan for future accommodation of coal and other natural resource exports.
4. Port Landside and Seaside Access
- . Participate in the development of improved North and South landside and seaside access to the Port.
  - . Participate with the U.S. Army Corps of Engineers and the State of Alaska to improve deep draft navigation lanes in Upper Cook Inlet.
  - . Participate in the corridor preservation of a Northern road and rail access to the Port.
  - . Participate in the planning and development of the Municipality's Comprehensive Plan, Ship Creek Development Plan and other related plans/projects that enhance access to the Port.
5. Financial Plans and Programs
- . Ensure that Port financial goals remain feasible with respect to current and projected economic conditions.
  - . Manage Port financial functions, where permitted by Municipal Code, and where economically efficient.
  - . Actively pursue alternative financing approaches for Port projects; particularly with respect to facility renovation and land development projects.
  - . Perform cost/revenue projections for each project undertaken.
6. Sustain Marketing Program
- . Identify needs of transportation firms and shippers currently utilizing or contemplating use of the Port.

- . Coordinate market demand with operational characteristics of users and available Port facilities to plan modification, expansion or enhancement designed to improve Port marketability to new users.
  - . Target natural resource movements and bulk solids as prime candidates for future business increases by new Port users.
  - . Maintain coordinated advertising and public relations programs to support Port marketing programs.
  - . Assist Port carriers in their efforts to market cost-effective backhaul transportation services.
  - . Accommodate increased foreign trade zone activities.
7. Continue and Expand Organizational and Staff Development Efforts
- . Develop maintenance and administrative skills utilizing Municipal training work shops, available local university courses and other training programs available in the private sector.
  - . Conduct work sessions on the Port's programs and its goals and objectives.
  - . Conduct on-going operational and safety training programs.
8. Management Information Systems
- . Provide hardware and software to integrate utilization of and expand present systems.
  - . Provide training to broaden Port staff competence in computer operations.
  - . Coordinate planning new Port of Anchorage automated business systems with assistance from the Municipal Information Systems Department.
  - . Fully automate selected Operations and Maintenance Division records and work scheduling functions into a Maintenance Management System.

#### Interagency Relations

- . Support cooperative joint regional port planning and economic development efforts with adjacent boroughs and cities.
- . Monitor Congressional action concerning port issues through American Association of Port Authorities and other appropriate agencies and

organizations.

- . Sustain staff contacts with legislators and the Alaska Congressional delegation concerning port industry regulation.
- . Continue developing close working relationships with regulatory/environmental agencies involved in port related activities.
- . Participate in a coordinated plan with Port petroleum users to determine the effects of area-wide petroleum pollution.





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**2000 CAPITAL BUDGET**

**2000 — 2005  
CAPITAL IMPROVEMENT PROGRAM**

**PORT OF ANCHORAGE**  
**2000-2005 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)**

<u>PROJECT CATEGORY</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>TOTAL</u>
LAND DEVELOPMENT							0
TERMINAL DEVELOPMENT	100	1,500	1,650	1,000			4,250
HARBOR DEVELOPMENT	300	14,100	250				14,650
REPAIRS & RENOVATIONS	1,850	400	2,600	500	1,200	300	6,850
EQUIPMENT	90	175	63	255	45	45	673
<b>TOTAL</b>	<b><u>2,340</u></b>	<b><u>16,175</u></b>	<b><u>4,563</u></b>	<b><u>1,755</u></b>	<b><u>1,245</u></b>	<b><u>345</u></b>	<b><u>26,423</u></b>

<u>SOURCE OF FUNDING</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>TOTAL</u>
G.O. BONDS							0
REVENUE BONDS							0
EQUITY/OPERATIONS	2,340	5,175	4,563	1,755	1,245	345	15,423
STATE GRANT		3,300					3,300
FEDERAL GRANT		7,700					7,700
LOAN							0
PVT INDUST PARTICIPATION							0
<b>TOTAL</b>	<b><u>2,340</u></b>	<b><u>16,175</u></b>	<b><u>4,563</u></b>	<b><u>1,755</u></b>	<b><u>1,245</u></b>	<b><u>345</u></b>	<b><u>26,423</u></b>