

Submitted by: Assembly Members Constant and
Zaletel
Prepared by: Assembly Counsel
For reading: _____ (*always blank*)

ANCHORAGE, ALASKA
AO No. 2020-_____

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE TO ESTABLISH A “PORT OF ALASKA**
3 **MODERNIZATION PROGRAM AND DESIGN ADVISORY BOARD,” AND**
4 **REQUIRING THE ADMINISTRATION TO SUBMIT FOR ASSEMBLY REVIEW AND**
5 **APPROVAL THE BASIS-OF-DESIGN DOCUMENTS THAT WILL GOVERN THE**
6 **DESIGN OF FUTURE CARGO AND FUELS INFRASTRUCTURE AT THE PORT OF**
7 **ALASKA.**
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9
10 **WHEREAS**, the Port of Alaska is the main point-of-entry for fuels, cement, and cargo
11 distributed around the state, and particularly along the railbelt;

12
13 **WHEREAS**, the Port of Alaska’s facilities are past their designed-for service life;

14
15 **WHEREAS**, the planned-for completion of a new Petroleum-Cement Terminal will
16 provide a reliable means for the railbelt to continue to receive shipments of fuels and
17 cement;

18
19 **WHEREAS**, attention must now turn to a solution to ensure reliable receipt of cargo
20 shipments;

21
22 **WHEREAS**, it may prove most cost-effective to build additional fuels-importing
23 capacity as an add-on element to a future cargo dock (and thereby avoid the need for
24 an additional, standalone petroleum terminal);

25
26 **WHEREAS**, a modernization and design advisory board, functioning as a steering
27 committee can, among other things: (1) provide a forum for continued stakeholder
28 engagement and input, (2) ensure decisions are made in light of the best available
29 information, and with full awareness of cost implications, (3) achieve alignment on
30 design choices; and (4) ensure project continuity as administrations and assembly
31 members change;

32
33 **WHEREAS**, early Assembly review and approval of the documents that will govern
34 the design of additional cargo and fuels infrastructure at the Port will promote better
35 public engagement and alignment in the modernization program, and should prevent
36 late-stage redesign analysis and expense; and

37
38 **WHEREAS**, this ordinance will have no significant economic effects; now, therefore,

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40 **THE ANCHORAGE ASSEMBLY ORDAINS:**

41
42 **Section 1.** Anchorage Municipal Code chapter 4.50 is hereby amended to add a
43 new section to read as follows:

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2 **4.50.110 Port of Alaska Modernization Program and Design Advisory**
3 **Board.**
4

- 5 A. There is established a Port of Alaska Modernization Program and
6 Design Advisory Board that shall function as a steering committee with
7 powers and duties more specifically set forth in Chapter 11.50.
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9 B. This board shall terminate on October 14, 2023, unless affirmatively
10 continued by the assembly in accordance with section 4.05.150.
11

12 **Section 2.** Anchorage Municipal Code chapter 11.50 is hereby amended to add a
13 new section to read as follows:
14

15 **11.50.035 Port of Alaska Modernization Program and Design Advisory**
16 **Board.**
17

- 18 A. Board established, purpose.
19 1. The Port of Alaska Modernization Program (PAMP) is a
20 **necessary project** that will
21 a. Enable safe, reliable, and cost-effective Port operations.
22 b. Improve resiliency to enable facilities to survive extreme
23 seismic events and Cook Inlet's harsh marine
24 environment with minimal operation disruption for at least
25 75 years.
26 c. Update facilities to improve operational efficiency and
27 sustainably accommodate modern shipping operations
28 (e.g., support larger, deeper draft vessels, etc.).
29 d. Optimize facilities to accommodate changing statewide
30 economic and market needs (e.g., petroleum product
31 shipments are increasing significantly faster than general
32 cargo growth due to Flint Hills refinery closure in 2014).
33 e. Optimize project scope, schedule, and budget to deliver
34 practical, timely, and cost-effective port modernization
35 program.
36 2. It is in the collective interest of the residents of Alaska, the Port
37 of Alaska, and the petroleum and cargo users of the Port to see
38 PAMP's mission undertaken in an efficient and collaborative
39 manner, to secure third-party funding sources, and to ensure
40 such efforts do not interfere with internal development activities
41 of the Port users.
42 3. To further coordination among these interested parties, the Port
43 of Alaska Modernization Program (PAMP) and Design **Advisory**
44 **Board is established** to hear disputes between the users and the
45 Port administration regarding non-structural engineering design
46 criteria (user requirements), seismically resilient dock
47 designation and project management for future cargo and fuels
48 infrastructure to assist in moving the **program** forward.
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1 B. Membership. The PAMP-Design Advisory Board shall consist of five
 2 voting members. Members of the board shall be appointed by the
 3 mayor and confirmed by the assembly. The Port director shall provide
 4 or designate staff support for the board. The five voting members of the
 5 board shall include:

- 6 1. The Director of the Port of Alaska, or the director's designee.
- 7 2. A member selected by the mayor. Upon the election of a new
 8 mayor, this position shall be deemed vacant.
- 9 3. A member nominated by Matson.
- 10 4. A member nominated by TOTE.
- 11 5. A member representing a petroleum user, nominated by the Port
 12 of Alaska User's Group.

13
 14 C. Meetings and procedures of the board are as follows:

- 15 1. The board shall meet as often as determined necessary by the
 16 board, and not less than twice a year.
- 17 2. The Port of Alaska will provide project updates as needed to the
 18 board, but not less than quarterly.
- 19 3. A majority of seats of the board shall constitute a quorum.
- 20 4. An affirmative vote of a simple majority of the full board vote of a
 21 quorum is required to approve any substantive motion or
 22 measure.
- 23 5. ~~Each member may designate a proxy to attend meetings and
 24 vote on their behalf.~~
- 25 6. The Director of the Port of Alaska or designee shall serve as
 26 chair of the board.

27
 28 **PAUG drafted procedure provisions omitted:**

29 *3.a. Public meetings.* All MOA board/commission meetings are public per Charter
 30 17.05, Open Meetings Act AS 44.62.310-.315, and AMC 4.05.090. No need to state it
 31 here.

32
 33 *3.g. Agendas and Recordings.* Keeping minutes and recording each vote is required
 34 of all MOA boards/commissions by AMC 4.05.130. Minutes stem from having an
 35 agenda. Audio recordings are pretty routinely done and retained for
 36 boards/commissions although not explicitly required in Code. Can include it if
 37 instructed, but would prefer a time limit on the "shall be retained" phrase ... 5 years?]

38
 39
 40 D. Purpose and duties; basis-of-design documents. The PAMP-Design
 41 Advisory Board shall develop and recommend for adoption basis-of-
 42 design documents for future cargo and fuels infrastructure.

- 43
 44 1. Recommendation of Basis-of-Design Documents and Dispute
 45 Resolution to the Mayor. The board is advisory to the mayor
 46 and assembly.
- 47 a. The board shall advise the mayor to propose for adoption
 48 by the assembly design criteria in basis-of-design
 49 documents to govern additional cargo and fuels

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- infrastructure at the Port of Alaska.
- b. The Port Director will submit to the board for review any changes that meaningfully impact users' operations, or impact project costs by the lesser of \$2,000,000 or five percent (5%) of the overall project costs.
- c. If a recommended document is not recommended on a unanimous vote, any member not voting in favor of the recommended document may transmit to the mayor a minority report.

2. Assembly Review and approval of Basis-of-Design Documents.

- a. Administration review and assembly submission. **Not more than 60 days** after receiving from the board a recommended basis-of-design document, the mayor shall submit a proposed basis-of-design document for assembly review and approval. The mayor shall also submit the document proposed by the board, and any accompanying minority reports. To the extent that the basis-of-design document proposed by the mayor differs in any material aspect from the document proposed to the mayor by the board, the mayor shall describe for the assembly the considerations that led the mayor to depart from the board's recommendation.
- b. Assembly approval. After receiving a proposed basis-of-design document from the mayor, the assembly shall review and hold a public hearing. The assembly may approve the basis-of-design document narrative with such changes as it deems necessary or advisable, in the best public interest.

Section 3. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2020.

Chair of the Assembly

ATTEST:

Municipal Clerk