

CLERK'S OFFICE

APPROVED

Date: 7-26-05

Submitted by: Chairman of the Assembly
At the request of the Mayor
Prepared by: Port of Anchorage
For reading: July 12, 2005

ANCHORAGE, ALASKA
No. AO 2005-87

AN ORDINANCE AUTHORIZING A LEASE OF FLOATING DOCK MOORAGE SPACE AND LAND USE AREA AT THE PORT OF ANCHORAGE TO THE UNITED STATES COAST GUARD.

WHEREAS, the Municipality of Anchorage (Port of Anchorage) negotiated terms with the United States Coast Guard for use of certain portions of the Government Float as well as portions of Tract G in the Port of Anchorage Subdivision, totaling approximately 4,468 square feet; and

WHEREAS, the operations of the United States Coast Guard require exclusive use of 1,980 square feet of the Government Float and the attached Gangway and Trestle; and 2,488 square feet of Tract G, Port of Anchorage Subdivision, and

WHEREAS, Anchorage Municipal Code section 25.30.020 requires disposal of municipal land shall be by ordinance only; now therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The Municipality of Anchorage is authorized to enter into a lease for 1,980 square feet of the Government Float and 2,488 square feet of Tract G, Port of Anchorage Subdivision, Port of Anchorage, to the United States Coast Guard upon the terms and conditions summarized in Assembly Memorandum submitted concurrently with this ordinance.

Section 2. This ordinance shall take effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 26th day of July, 2005.

Handwritten signature of the Chairman, with the title 'Chairman' printed below.

ATTEST:

Handwritten signature of the Municipal Clerk, with the title 'Municipal Clerk' printed below.

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2005 - 87

Title: AN ORDINANCE AUTHORIZING A LEASE OF FLOATING DOCK
MOORAGE SPACE AND LAND USE AREA AT THE PORT OF
ANCHORAGE TO THE UNITED STATES COAST GUARD.

Sponsor: William J. Sheffield
Preparing Agency: Port of Anchorage
Others Impacted: None

CHANGES IN REVENUES AND EXPENSES:		(In Thousands of Dollars)				
	FY05	FY06	FY07	FY08	FY09	
Operating Revenues:						
9571 Industrial Park Leases	\$ 106.4	\$ 159.6	\$ 159.6	\$ 159.6	\$ 159.6	
Lease Payment Includes Utilities						
TOTAL OPERATING REVENUES	\$ 106.4	\$ 159.6	\$ 159.6	\$ 159.6	\$ 159.6	
Operating Expenses:						
Design & Infrastructure	\$ 90.0	\$ -	\$ -	\$ -	\$ -	
Utilities	\$ 5.8	\$ 5.8	\$ 5.8	\$ 5.8	\$ 5.8	
TOTAL OPERATING EXPENSES	\$ 95.8	\$ 5.8	\$ 5.8	\$ 5.8	\$ 5.8	
Non-Operating Revenues:						
TOTAL NON-OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	
Non-Operating Expenses:						
TOTAL NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	
NET INCOME (REGULATED)	\$ 10.6	\$ 153.8	\$ 153.8	\$ 153.8	\$ 153.8	
POSITIONS: FT/PT and Temp	0	0	0	0	0	

PUBLIC SECTOR ECONOMIC EFFECTS:

The total annual fee for the leased areas of One Hundred Fifty Nine Thousand Six Hundred Twenty Four Dollars and Twenty Four Cents (\$159,624.24), payable at a rate of Thirteen Thousand, Three Hundred Two Dollars and Two Cents (\$13,302.02.) per month was determined by applying an eight (8) percent return on investment on the construction cost of the government float. That figure was multiplied by the linear proportion of the float leased to the Coast Guard (55 percent); plus the estimated monthly utilities.

SUMMARY OF ECONOMIC EFFECTS

PRIVATE SECTOR ECONOMIC EFFECTS:

None. Lessee is a Government agency.

Prepared by: Kevin Bruce, Deputy Director
Validated by OMB: _____
Approved by: William J. Sheffield, Port Director

Telephone: 343-6219
Date: _____
Date: _____

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 480 -2005

Meeting Date: July 12, 2005

1 **From:** Mayor

2
3 **Subject:** AN ORDINANCE AUTHORIZING A LEASE OF FLOATING DOCK
4 MOORAGE SPACE AND LAND USE AREA AT THE PORT OF ANCHORAGE
5 TO THE UNITED STATES COAST GUARD.
6

7 The United States Coast Guard established a Marine Safety and Security Team on Port property in
8 order to fulfill its operational mission in the State of Alaska. The United States Coast Guard requires
9 moorage space as well as additional land area at the Port to store materials and equipment necessary to
10 fulfill its mission. To accommodate the Coast Guard's request, the Maritime Administration
11 (MARAD) included a Government Float in the Port's Intermodal Expansion Program. MARAD
12 constructed the 3,600 square foot float and accompanying 120 foot Gangway and 210 foot Trestle at a
13 cost of \$2.4 million as part of the Port's Intermodal Expansion Program. Ownership of the
14 Government Float is in the process of being transferred to the Municipality of Anchorage, Port of
15 Anchorage. The Coast Guard also requires 2,488 square feet of Port land to store materials and
16 equipment critical to marine activities and provide parking for waterborne personnel (please see
17 Exhibits A and B).
18

19 The Port negotiated a lease for Fifty-five (55%) percent unlimited usage of the Government Float and
20 designated Port land with the U.S. Coast Guard with the following terms and conditions:
21

22 **Lessee:** United States Coast Guard

23
24 **Area:** 1,980 square feet of the Government Float and accompanying gangway and
25 trestle; and 2,488 square feet of Tract G in the Port of Anchorage Subdivision.
26

27 **Ground Fee:** The total annual fee for the leased areas of One Hundred Fifty Nine Thousand Six
28 Hundred Twenty Four Dollars and Twenty Four Cents (\$159,624.24), payable at a
29 rate of Thirteen Thousand, Three Hundred Two Dollars and Two Cents
30 (\$13,302.02.) per month was determined by applying an eight (8) percent return
31 on investment on the construction cost of the Government Float. That figure was
32 multiplied by the proportion of the float leased to the Coast Guard (55 percent);
33 plus the estimated monthly utilities.
34

35 **Fee Adjustment:** The lease adjusts annually with the consumer price index.
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37 **Lease Length:** Nineteen (19) years and Four (4) months.
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39 **Services provided**

40 **By Lessee:** None
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42 **Services provided**

43 **By POA:** POA shall provide security, dumpster service, and electric power.

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THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE AUTHORIZING A LEASE TO THE UNITED STATES COAST GUARD ACCORDING TO THE TERMS AND CONDITIONS DESCRIBED ABOVE, WITH AUTHORITY TO NEGOTIATE SUCH OTHER TERMS AND CONDITIONS AS REASONABLY NECESSARY FOR THE PROTECTION AND BENEFIT OF THE MUNICIPALITY.

Prepared by: William J. Sheffield, Port Director
Concur: Mary Jane Michael
Director, Office of Community and Economic Development
Concur: Denis C. LeBlanc, Municipal Manager
Respectfully submitted: Mark Begich, Mayor

Illustrated in Exhibit "B"

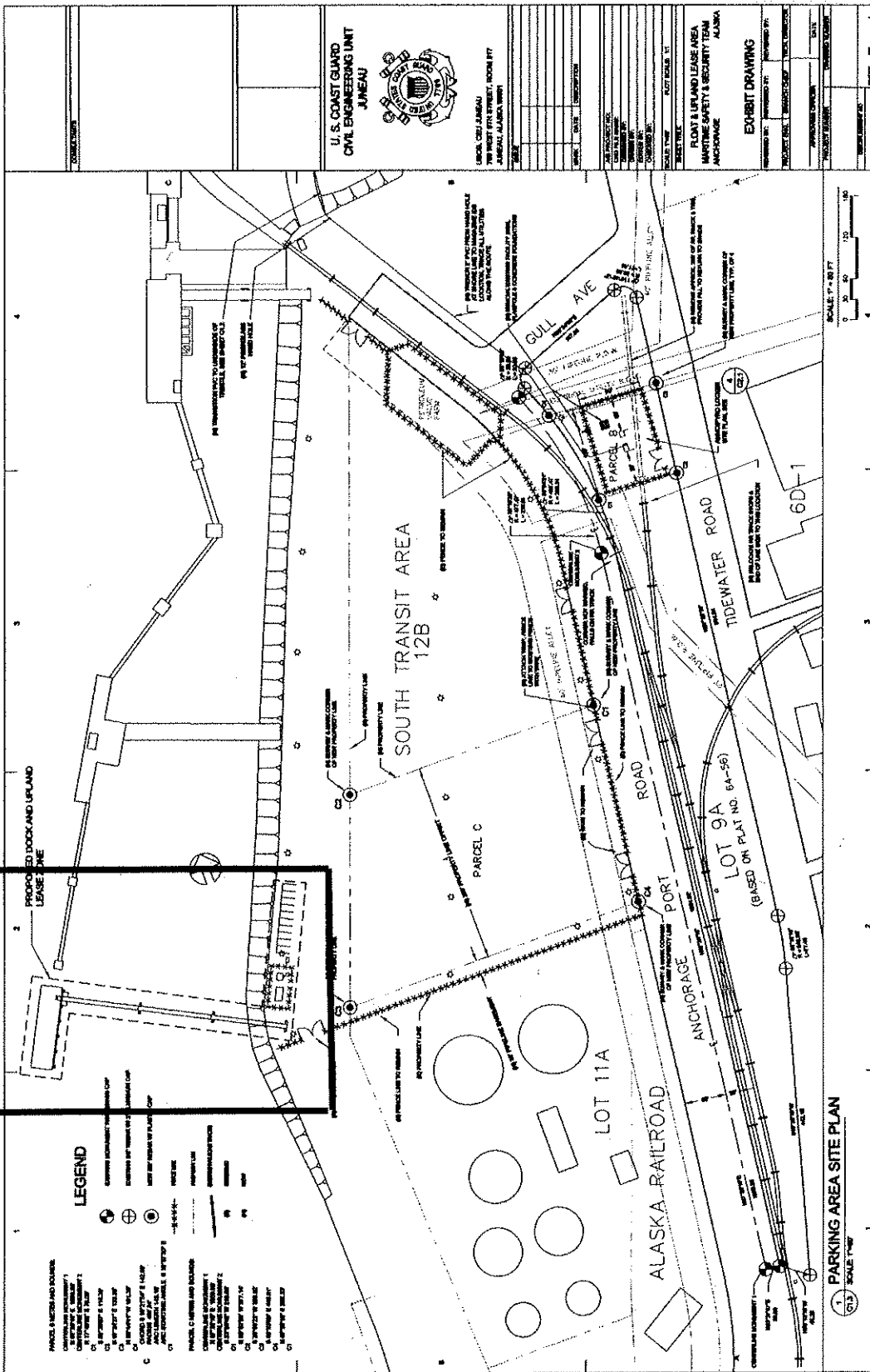
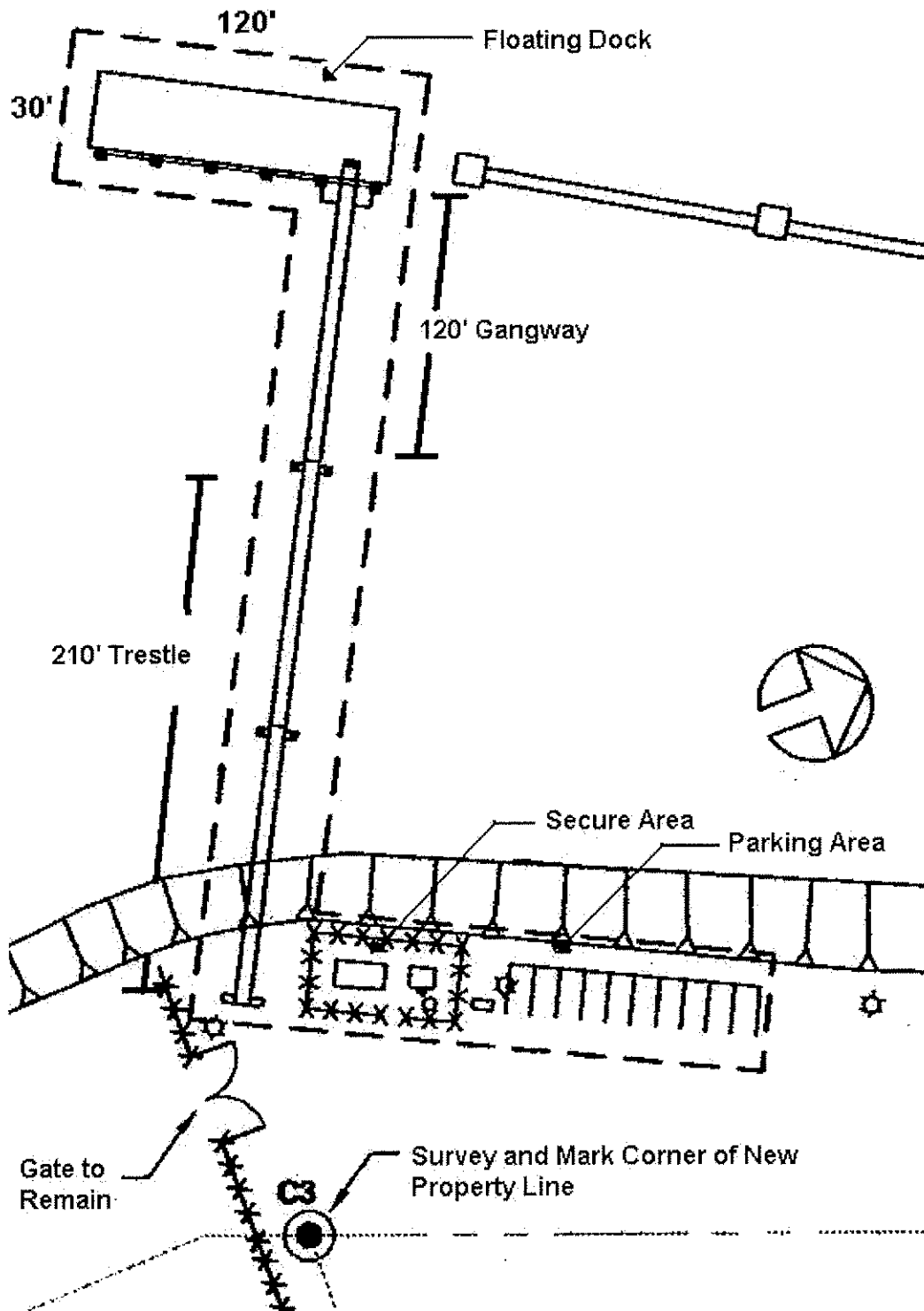


Exhibit A



Content Information

Content ID : 003003

Type: Ordinance - AO

Title: USCG Floating Dock

Author: scroggsjd

Initiating Dept: Port

Description: USCG Lease for Floating Dock/MSST

Keywords: USCG Floating Dock Lease

Date Prepared: 6/22/05 3:29 PM

Director Name: William Sheffield

Assembly Meeting Date MM/DD/YY: 7/12/05

Public Hearing Date MM/DD/YY: ~~8/9/05~~ 7/24/05

M.O.A.
 2005 JUL -5 PM12:33
 CLERKS OFFICE

Workflow History

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOrdinanceWorkflow	6/22/05 3:37 PM	Checkin	scroggsjd	Public	003003
Port_SubWorkflow	6/22/05 3:46 PM	Approve	sheffieldwj	Public	003003
ECD_SubWorkflow	6/22/05 3:56 PM	Approve	thomasm	Public	003003
OMB_SubWorkflow	6/23/05 8:01 AM	Approve	foutzrs	Public	003003
Legal_SubWorkflow	6/23/05 5:45 PM	Approve	fehlenrl	Public	003003
MuniManager_SubWorkflow	6/30/05 8:52 PM	Approve	leblancdc	Public	003003
MuniMgrCoord_SubWorkflow	7/1/05 4:01 PM	Approve	curtiscr2	Public	003003