

Submitted by: Chairman of the Assembly
At the request of the Mayor
Prepared by: Port of Anchorage
For reading: November 8, 2005

CLERK'S OFFICE

APPROVED

Date: 11-22-05

ANCHORAGE, ALASKA
AO NO. 2005- 168

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
2 AUTHORIZING THE ADOPTION OF PORT OF ANCHORAGE TERMINAL
3 TARIFF NO. 6.
4

5
6 WHEREAS, pursuant to Anchorage Municipal Code 11.50.030.C, the Anchorage Port
7 Commission is charged with promulgating the Port's Terminal Tariff subject to approval of
8 the Anchorage Municipal Assembly and notification to the Federal Maritime Commission;
9 and,

10
11 WHEREAS, the Port Commission conducted a series of four public work sessions wherein
12 the Port Commission provided an opportunity for public comment and was provided with
13 additional information and recommendations by the Port administration, an independent,
14 professional marine tariff consulting firm and Port customers/users concerning the proposed
15 Port of Anchorage Terminal Tariff No. 6., and,

16
17 WHEREAS, the Anchorage Port Commission, at its meeting of October 12, 2005, approved
18 the Port Commission Memorandum which recommended changes and additions to rates
19 established in the Port's existing tariff in order for the Port to adequately fund the
20 maintenance of existing facilities and to accommodate growth in the Alaska freight market
21 which directly benefits the economy of Anchorage; now therefore,

22
23 THE ANCHORAGE ASSEMBLY ORDAINS:

24
25 **Section 1.** The Municipality of Anchorage is authorized to adopt the Port of Anchorage
26 Terminal Tariff #6.

27
28 **Section 2.** This ordinance shall become effective immediately upon passage and
29 approval by the Assembly.

30
31 PASSED AND APPROVED by the Anchorage Assembly this 22nd day of
32 November, 2005.

33
34 Anna L. Fairclough
Chairman

35 ATTEST:

36
37 Bonnie S. Duester
38 Municipal Clerk
39

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2005-168

Title: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
 AUTHORIZING THE ADOPTION OF PORT OF ANCHORAGE TERMINAL
 TARIFF NO. 6.

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

CHANGES IN REVENUES AND EXPENSES:

(In Thousands of Dollars)

	FY06	FY07	FY08	FY09	FY10
Operating Revenues:					
Wharfage, Dry Bulk - Cement	\$ 12.3	\$ 24.6	\$ 30.8	\$ 30.8	\$ 30.8
Dockage	\$ 88.0	\$ 174.0	\$ 260.0	\$ 260.0	\$ 260.0
Vehicles	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0
TOTAL OPERATING REVENUES	\$ 103.3	\$ 201.6	\$ 293.8	\$ 293.8	\$ 293.8

Operating Expenses:

None

TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
---------------------------------	-------------	-------------	-------------	-------------	-------------

Non-Operating Revenues:

TOTAL NON-OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
-------------------------------------	-------------	-------------	-------------	-------------	-------------

Non-Operating Expenses:

TOTAL NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
-------------------------------------	-------------	-------------	-------------	-------------	-------------

NET INCOME (REGULATED)

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

The Cement Tariff increase: \$0.10 per ton in 2006 (approximately \$12,300), \$0.10 per ton in 2007 (\$12,300) and \$0.05 per ton in 2007 (\$6,150) will have minimum impact on the public sector as will the increase of \$1.00 per vehicle.

PRIVATE SECTOR ECONOMIC EFFECTS:

Alaska Basic Industries is the private sector entity impacted by the cement tariff increases and no appreciable cost to the public is anticipated. The main marine transporters of containerized freight, Horizon Lines of Alaska and Totem Ocean Trailer Express, will not be impacted by the changes in the Tariff because they operate under a Preferential Use Agreement (PUA). The effect of tariff increases on non-PUA users such as cruise ships who occasionally dock at the Port of Anchorage and military ships with infrequent visits for military equipment or personnel deployments is expected to be minimal. The Port Commission however, invited and listened to the private sector on all the proposed tariff changes.

proposed tariff changes.

SUMMARY OF ECONOMIC EFFECTS

Prepared by: Edward Leon, Director of Finance & Admin.
Validated by OMB: Janet Mitson, Director
Approved by: William J. Sheffield, Port Director

Telephone: 343-6204
Date: _____
Date: _____

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

No. AM 817 -2005

Meeting Date: November 8, 2005

1 **From: Mayor**
2

3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **AUTHORIZING THE ADOPTION OF PORT OF ANCHORAGE TERMINAL**
5 **TARIFF NO. 6.**
6

7 In accordance with AMC 11.50.030 (B), the Anchorage Port Commission at its regular meeting of
8 October 12, 2005 approved revisions to the current Port tariff and recommended the establishment of a
9 new Port of Anchorage Terminal Tariff No. 6. The existing General Rules, Regulations and Definitions
10 remain unchanged from Terminal Tariff No. 5.
11

12 The recommended tariff rate changes, where applicable, are noted below:
13

14 **WHARFAGE**

15 Wharfage is the charge assessed against any freights, cargo, goods placed in a transit shed or on a wharf,
16 or passing through, over or under a wharf or Municipal terminal; or is transferred between vessels, or
17 loaded to or unloaded from a vessel at a wharf, regardless of whether or not a wharf is used. Wharfage
18 is solely the charge for use of wharf and does not include handling, sorting, piling of freight or charges
19 for any other services.
20

<u>Commodity</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Cement		\$1.10 / Ton - 2006	\$0.10 / Ton
Bulk, in pipelines	\$1.00 / Ton	\$1.20 / Ton - 2007	\$0.10 / Ton
		\$1.25 / Ton - 2008	\$0.25 / Ton
Aggregates	New Item	\$0.80 / Ton	New Item
Vehicles			
Automobiles, including pickups, with or without camper bodies attached, chassis, freight trailers, freight semi-trailers, camper bodies, agricultural, earth- moving or materials handling equipment	\$7.00 / Ton	\$8.00 / Ton	\$1.00 / Ton

41 **DOCKAGE**

42 Dockage is the charge assessed to a vessel for docking at a wharf, dock, pier or other facility, or for
43 mooring to a vessel so docked. The proposed phase in of the new dockage tariff schedule is as follows:
44

DOCKAGE RATES**(in dollars)**

<u>Vessel Length</u>	<u>Current Charge</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
0 - 100'	150	175	200	225
100' - 200'	225	262	300	337
200' - 300'	350	408	467	525
300' - 350'	450	523	597	670
350' - 375'	531	631	732	832
375' - 400'	661	758	854	951
400' - 425'	727	823	918	1,014
425' - 450'	805	913	1,022	1,130
450' - 475'	897	1,003	1,110	1,216
475' - 500'	965	1,088	1,212	1,335
500' - 525'	1,060	1,211	1,362	1,513
525' - 550'	1,201	1,345	1,488	1,632
550' - 575'	1,296	1,454	1,611	1,769
575' - 600'	1,405	1,589	1,773	1,957
600' - 625'	1,554	1,783	2,013	2,242
625' - 650'	1,779	2,056	2,332	2,609
650' - 675'	2,077	2,374	2,672	2,969
675' - 700'	2,356	2,687	3,019	3,350
700' - 725'	2,659	3,066	3,474	3,881
725' - 750'	3,081	3,534	3,987	4,440
750' - 775'	3,525	4,029	4,532	5,036
775' - 800'	3,998	4,550	5,101	5,653
800' - 850'	4,489	5,157	5,825	6,493
850' - 900'	5,771	6,310	6,849	7,388
900' - 950'	\$6.70 / ft. over 900'	7,700	8012	8,324
> 950'	\$6.70 / ft. over 950'	\$6.80 / ft. over 950'	\$11.00 / ft. over 950'	\$13.00 / ft. over 950'

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE AUTHORIZING THE ADOPTION OF PORT OF ANCHORAGE TERMINAL TARIFF NO. 6.

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



PORT COMMISSION MEMORANDUM

PCR05-06

NO :

DATE:

October 12, 2005

FROM:

Port Commission

SUBJECT:

Adopting a new Port of Anchorage Terminal Tariff No. 6

A RESOLUTION APPROVING A NEW PORT OF ANCHORAGE TERMINAL TARIFF NO. 6 AND RECOMMENDING THAT THE ANCHORAGE MUNICIPAL ASSEMBLY ALSO APPROVE THE PROPOSED PORT OF ANCHORAGE TERMINAL TARIFF NO. 6.

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,

WHEREAS, the Port Commission, at its meeting of October 12, 2005, approved the Port Commission Memorandum which recommended changes and additions to rates for Port of Anchorage Terminal Tariff No. 5 in order for the Port to adequately fund the maintenance of existing facilities and to accommodate growth in the Alaska freight market which directly benefits the economy of Anchorage; and,

WHEREAS, the Port Commission conducted several public Port Commission Work Sessions wherein the Port Commission provided an opportunity for public comment and was provided with additional information and recommendations by the Port administration, an independent professional port tariff consulting firm and Port customers/users concerning the proposed Port of Anchorage Terminal Tariff No. 6.

NOW THEREFORE, the Anchorage Port Commission resolves:

Section 1. That the Port Commission approves adoption of Port of Anchorage Terminal Tariff No. 6 with the following changes from Port of Anchorage Terminal Tariff No. 5:

(a) the new proposed Cement, Bulk, Pipeline rate of \$1.25/ton be

achieved by incremental increases from the existing rate of \$1.00/ton during a three year period commencing from the effective date of the proposed new Port of Anchorage Terminal Tariff No. 6 as follows: rate for the first year, \$1.10/ton; rate for the second year, \$1.20/ton; and rate for the third year and thereafter, \$1.25/ton.

(b) After the bulk cement tariff reaches \$1.25/ton in the third year, no cement tariff increases shall take place beyond this current adjustment until the Port has completed its new cement terminal and, in cooperation with cement users, has ascertained the productivity improvements associated with the new terminal and infrastructure.

(c) The new proposed Dockage rate for vessels be incorporated over a three year period as described below:

Length	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
0 - 100'	150	175	200	225
100' - 200'	225	262	300	337
200' - 300'	350	408	467	525
300' - 350'	450	523	597	670
350' - 375'	531	631	732	832
375' - 400'	661	758	854	951
400' - 425'	727	823	918	1,014
425' - 450'	805	913	1,022	1,130
450' - 475'	897	1,003	1,110	1,216
475' - 500'	965	1,088	1,212	1,335
500' - 525'	1,060	1,211	1,362	1,513
525' - 550'	1,201	1,345	1,488	1,632
550' - 575'	1,296	1,454	1,611	1,769
575' - 600'	1,405	1,589	1,773	1,957
600' - 625'	1,554	1,783	2,013	2,242
625' - 650'	1,779	2,056	2,332	2,609
650' - 675'	2,077	2,374	2,672	2,969
675' - 700'	2,356	2,687	3,019	3,350
700' - 725'	2,659	3,066	3,474	3,881
725' - 750'	3,081	3,534	3,987	4,440
750' - 775'	3,525	4,029	4,532	5,036
775' - 800'	3,998	4,550	5,101	5,653
800' - 850'	4,489	5,157	5,825	6,493
850' - 900'	5,771	6,310	6,849	7,388
	6.70 / ft.			
900' - 950'	over 900'	7,700	8012	8,324

> 950'	6.70 / ft. over 950'	6.80 / ft. over 950'	11.00 / ft. over 950'	13.00 / ft. over 950'
--------	----------------------------	----------------------------	-----------------------------	-----------------------------

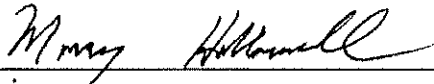
(d) The Commission adopts a new tariff for Aggregates at the tariff rate of \$0.80/ton.

(e) The Commission adopts a single definition for vehicles to incorporate all wheeled vehicles, either self-propelled or non-self propelled and adopts a new tariff rate of \$8.00/ton for aforesaid vehicles.

Section 3. The Port Commission recommends that the Anchorage Municipal Assembly approve the proposed Port of Anchorage Terminal Tariff No. 6.

Section 4. That the Port Commission and Port staff will undertake a review of the Port's then current tariff for appropriate modifications and adjustments at least once every five (5) years.

PASSED AND APPROVED by the Anchorage Port Commission, this 12th day of October, 2005.



 Chair

Content Information

Content ID : 003416

Title: Adoption of Port Tariff No. 6

Author: kostersa

Initiating Dept: Port

Review Depts: ECD

Description: Adoption of Port Tariff No. 6

Keywords: Port Tariff No. 6

Date Prepared: 10/18/05 4:05 PM

Director Name: William Sheffield

Assembly Meeting Date
MM/DD/YY: 11/8/05

Public Hearing Date
MM/DD/YY: 11/22/05

M.O.A.
 2005 OCT 28 PM 1:08
 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	10/18/05 4:16 PM	Checkin	kostersa	Public	003416
Port_SubWorkflow	10/18/05 4:49 PM	Approve	sheffieldwj	Public	003416
ECD_SubWorkflow	10/19/05 10:12 AM	Approve	thomasm	Public	003416
AllOrdinanceWorkflow	10/20/05 2:11 PM	Reject	mitsonjl	Public	003416
AllOrdinanceWorkflow	10/21/05 9:04 AM	Checkin	kostersa	Public	003416
Port_SubWorkflow	10/21/05 9:08 AM	Approve	sheffieldwj	Public	003416
ECD_SubWorkflow	10/21/05 9:48 AM	Approve	thomasm	Public	003416
OMB_SubWorkflow	10/24/05 2:22 PM	Approve	mitsonjl	Public	003416
Legal_SubWorkflow	10/26/05 10:40 AM	Approve	fehlenrl	Public	003416
MuniManager_SubWorkflow	10/28/05 11:36 AM	Approve	leblancdc	Public	003416
MuniMgrCoord_SubWorkflow	10/28/05 11:49 AM	Approve	abbottmk	Public	003416