

Municipality of Anchorage

Chin'an gu ninyu
Thank you, you came here

Christopher Constant
Chair

Anna Brawley
Karen Bronga
Zac Johnson
Mark Littlefield
George Martinez



Suzanne LaFrance
Mayor

Meg Zaletel
Vice-Chair

Scott Myers
Kameron Perez-Verdia
Felix Rivera
Randy Sulte
Daniel Volland

Jamie Heinz, MMC, Municipal Clerk

Jasmine Acres, Deputy Municipal Clerk

Assembly Agenda

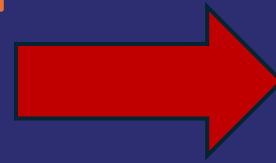
November 6, 2024
Regular Meeting

- 14.H.** Ordinance No. AO 2024-98, an ordinance authorizing and approving adoption of Port of Alaska Terminal Tariff No. 10.1. Port of Alaska.
14.H.1. Assembly Memorandum No. AM 827-2024.
- 14.I.** Resolution No. AR 2024-316, a resolution of the Municipality of Anchorage, Alaska, approving the issuance of Port Revenue Bonds for the Municipality in one or more series in the aggregate principal amount of not to exceed two hundred fifty million dollars (\$250,000,000) for the purpose of providing funds to refinance certain outstanding debt and to provide for additional funds for Capital Improvements and related financing expenses of the Don Young Port of Alaska. Finance Department.
14.I.1. Assembly Memorandum No. AM 826-2024.



Revised Calendar Year 2025 Need ->
Proposed Bond Issuance

Not to Exceed
\$250 million



Recommendation:
\$180 million



SECTION 2 DEFINITIONS & SCHEDULES OF CHARGES											ITEM NO.
PORT OF ALASKA MODERNIZATION PROGRAM	2020	2021	2022	2023	RATES						
					2024	2025	2026	2027	2028	2029	
Port of Alaska will assess a surcharge fee in order to cover expenses incurred for the modernization program.											
PORT MODERNIZATION SURCHARGE FEES											
CARGO VESSELS											
Not withstanding any other schedule of charges, the Port of Alaska shall assess a modernization surcharge per ton for all commodities crossing the Port of Alaska facilities.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.59	\$0.59 \$4.80	\$0.59 \$8.29	\$0.59 \$8.29	\$0.59 \$8.29	\$0.59 \$8.29	272
CEMENT VESSELS											
Not withstanding any other schedule of charges, the Port of Alaska shall assess a modernization surcharge fee per ton for all cement commodities crossing the Port of Alaska facilities.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.12	\$0.12 \$0.46	\$0.12 \$0.79	\$0.12 \$0.79	\$0.12 \$0.79	\$0.12 \$0.79	
PETROLEUM VESSELS											
Not withstanding any other schedule of charges, the Port of Alaska shall assess a modernization surcharge fee per barrel for all commodities crossing the Port of Alaska facilities.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.02 \$0.11	\$0.02 \$0.19	\$0.02 \$0.19	\$0.02 \$0.19	\$0.02 \$0.19	





Port of Alaska Users Group

November 1, 2024

Bill Falsey, Chief Administrative Officer, Municipality of Anchorage
Anchorage Assembly

RE: AO 2024-98 Port of Alaska Terminal Tariff 10.1 and future PAMP surcharge adjustments

Dear Mr. Falsey and Assembly Members:

We are writing on behalf of the Port of Alaska Users Group (“PAUG”) to express our collective position on AO 2024-98, an ordinance authorizing and approving adoption of Port of Alaska terminal tariff no. 10.1, and future PAMP surcharge adjustments.



A sudden, large increase as noted with AO 2024-98 (\$10.97/ton of cargo, \$.25/bbl petroleum), will have a negative impact on businesses, and we do not recommend increasing the surcharge to the level originally proposed in a single year. We believe the latest iteration that seeks authorization for \$180M in bonding and a stepped surcharge increase over two years is the better option and advocate for longer payout time frames when feasible. For this reason, the PAUG has taken the following position and makes the requests below as they relate to PAMP surcharge increases:

- The PAUG appreciates the engagement of the Municipal Manager and Chief Administrative Officer to discuss the implications of a surcharge increase. Predictability, consistency, and transparency will be key to ensure successful surcharge implementation. We request that all future increases are discussed with the PAUG before they are introduced at a public meeting.



- While the Municipality may have the authorization to bond, the PAUG requests that the Municipality only issues bonds in the absence of state and federal funding and as dictated by timing requirements.
- The PAUG requests that any funds collected through any PAMP surcharge are strictly used by the Municipality to finance the PAMP. Any excess funds that are collected through PAMP surcharges should be used to offset future surcharge increases.
- The PAUG requests that the Municipality take a multi-year, stepped approach to reach the necessary surcharge amount to support the bond when possible.
- The PAUG requests that the surcharge increase that will be effective January 1 of the following year be added to the tariff by August 31 of the previous year. For example, if a PAMP surcharge is effective January 1, 2027, it will be codified by August 31, 2026. Furthermore, the PAUG requests that the Municipality increase the PAMP surcharge's transparency by providing more accurate projections of future surcharge amounts and adding a footnote in the tariff providing notice that future PAMP surcharge amounts are only projections and listing the factors to which future surcharge amounts are subject.



