MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 87-2008

Meeting Date: February 12, 2008

FROM: MAYOR

SUBJECT: AN ORDINANCE AUTHORIZING AMENDMENT #3 TO THE PORT OF ANCHORAGE TERMINAL TARIFF NO. 6 TO ADD A RAILROAD CARS TARIFF RATE EFFECTIVE MARCH 1, 2008.

In 2006, the Port of Anchorage completed the first phase of its expansion project with the establishment of 7,000 feet of rail track connecting the Alaska Railroad main tracks to the Port. The double rail lines, referred to as the “Port Expansion Track,” are the start of what will be a Trailer-On-Flatcar load out facility on the east side of the Port, designed to provide efficient Intermodal capability to all current and potential future port users. In summer 2007, the Municipality of Anchorage and the Alaska Railroad signed a track use agreement which outlines responsibilities for operations and maintenance of this track. However, to date there has been no tariff established for realizing revenues from the use of that track, or a capability to recover security charges for track use by users who are not already Port of Anchorage tenants. Therefore, in accordance with AMC 11.50.030 (B), the Anchorage Port Commission at its regular meeting of January 30, 2008 approved the a resolution recommending revision of Port of Anchorage Terminal Tariff No. 6 adding Railroad Cars, Tariff Item 211 to page 34 of the current tariff.

The recommended addition of the Railroad Cars Tariff Item No. 211 to Port of Anchorage, Terminal Tariff No.6 is noted below:

**Railroad Cars**

(a) General Application of Tariff: Rates, charges, rules and regulations provided in this terminal tariff apply to railroad cars, engines and any combination thereof on Port property on that track known as the “Port Expansion Track”.

Prior to vacating the premises, railroad car/engine owner/operator shall ensure tracks are free of obstacles and in good operable condition. Failure to do so will result in the assessment of repair and clean-up charges.

(b) TARIFF RATE: railroad cars and engines will be assessed $45.00 per unit per day.

Railroad cars and engines will be assessed an additional $17.00 per unit per day for coverage of security-related expenses whenever a Secondary User requests ARRC services for movement of goods, and the Port Expansion Track is used.

NOTE: A Secondary User is defined as any user of Port of Anchorage facilities not already participating in shared payment of the established Port of Anchorage facility security contract, wherein a security tariff is already included.
THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE
AUTHORIZING AMENDMENT #3 TO THE PORT OF ANCHORAGE TERMINAL TARIFF
NO. 6 TO REVISE THE TARIFF BY THE ADDITION OF THE RAILROAD CARS
EFFECTIVE MARCH 1, 2008.

Prepared by: Port of Anchorage
Approved by: William J. Sheffield, Port Director
Concurrence: Mary Jane Michael, Executive Director
Office of Community and Economic Development
Concurrence: Michael K. Abbott, Municipal Manager
Respectfully submitted: Mark Begich, Mayor