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1 IN THE SENATE BY DUNCAN, ZHAROFF,
KERTTULA AND SZYMANSKI

2 SENATE BILL NO. 168

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to establishment of a port authority
7 by a municipality."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 29.35 is amended by adding new sections to read:

10 ARTICLE 9. PORT AUTHORITIES.

11 Sec. 29.35.600. ESTABLISHMENT OF AUTHORITY. (a) A borough,
12 unified municipality, or city in the unorganized borough may establish
13 a port authority. The authority shall be a corporate public body that
14 may sue and be sued in any court of the state. The authority pos-
15 sesses all powers specified in the ordinance under which it is formed
16 in addition to those enumerated in AS 29.35.600 - 29.35.690.

17 (b) In a resolution proposing formation of a port authority, the
18 governing body shall set a date for the holding of a public hearing on
19 the adoption of a proposed ordinance establishing the authority and
20 designating the powers of the authority. After the public hearing, if
21 the governing body intends to proceed with the establishment of the
22 authority, it must do so by ordinance subject to voter approval.

23 (c) At the time of adopting an ordinance proposing formation of
24 a port authority, the governing body shall issue a call for nomination
25 of port commissioners, specifying the filing deadline and procedure
26 for making nominations. The election of the initial members of the
27 port commission shall take place at the same time as the election on
28 the question of forming a port authority. If at least one candidate
29 for each of the three commission seats is not nominated, the proposal

1 to form a port authority is void and no election on the question shall
2 be held.

3 Sec. 29.35.610. PORT COMMISSION. (a) A port authority shall be
4 under the supervision and control of a port commission consisting of
5 three elected members. The term of a member is six years, except that
6 one initial member shall serve a term of four years, and one initial
7 member shall serve a term of five years, to be determined by lot.
8 Commission members may be reelected.

9 (b) A vacancy on the commission shall be filled by appointment
10 by the mayor. An appointed member serves for the remainder of the
11 term to which appointed. On notice and an opportunity to be heard, a
12 member of the commission may be removed for cause by the governing
13 body. Removal of a member is subject to review by the superior court.

14 (c) The commission shall adopt rules governing its procedure and
15 the holding of regular meetings. Special meetings may be held when
16 called in the manner provided in the rules of the commission.

17 Sec. 29.35.620. EXECUTIVE DIRECTOR AND EMPLOYEES. (a) The port
18 commission may employ and fix the compensation of a director, subject
19 to the approval of the governing body of the municipality. The direc-
20 tor serves at the pleasure of the commission. A member of the commis-
21 sion is not eligible to hold the position of director.

22 (b) The commission may retain legal counsel to advise the com-
23 mission in the proper performance of its duties. The legal counsel
24 shall represent the commission in actions brought by or against the
25 commission.

26 (c) The commission may employ other personnel considered neces-
27 sary by the commission.

28 (d) The employees of the commission may participate in municipal
29 retirement and insurance programs of the municipality.

1 Sec. 29.35.630. POWERS. The port commission may
2 (1) study and analyze the effect of economic changes and
3 growth on the waterfront and waterways;
4 (2) acquire, construct, repair, renovate, and manage sea
5 walls, jetties, piers, wharves, docks, boat landings, and other harbor
6 improvements, warehouses, cold storage plants, grain bins, bunkers,
7 ferries, bridges, and other facilities for the handling, storing, and
8 transporting of freight and passengers, or the processing of seafood,
9 agricultural products, and other goods;
10 (3) develop long-range plans, in cooperation with the
11 governing body, designed to promote the economic growth of the
12 municipality;
13 (4) implement any plan of development in waterways or in
14 the waterfront areas in accordance with the powers of the port au-
15 thority under AS 29.35.600 - 29.35.690 or the ordinance under which
16 the authority is established;
17 (5) make and enter into contracts necessary or incidental
18 to the exercise of its powers and the performance of its duties;
19 (6) acquire and convey, or otherwise dispose of, land and
20 other property;
21 (7) fix, charge, and collect fees, rents, and charges for
22 the use of a building or property under its control or any part of it,
23 or facility in it, and pledge the fees, rents, and charges for the
24 payment of revenue bonds issued by the authority;
25 (8) lease a building or property under its control;
26 (9) accept grants and donations from a public or private
27 source.
28 Sec. 29.35.640. EMINENT DOMAIN. A municipality may take private
29 property under AS 09.55.420 - 09.55.460 for the purpose of transfer to

1 the port authority, and may transfer the property to the authority on
2 terms and conditions it considers appropriate, and the taking, trans-
3 fer, and use shall be considered necessary for public purposes and for
4 the benefit of the public.

5 Sec. 29.35.650. FINANCING. (a) The activities of the port
6 authority shall be financed from one or more of the following sources:

7 (1) donations to the authority for the performance of its
8 functions;

9 (2) money borrowed and to be repaid;

10 (3) revenue from any property, building, or facility owned,
11 leased, licensed, or operated by the authority or under its control,
12 subject to the limitations imposed upon the authority by trusts or
13 other agreements;

14 (4) money obtained from other sources approved by the
15 governing body of the municipality.

16 (b) Upon approval of a development plan under AS 29.35.670, the
17 authority may borrow money and issue negotiable revenue bonds as
18 provided for a municipality under AS 29.47. Revenue bonds issued by
19 the authority are not a debt of the municipality or the state.

20 Sec. 29.35.660. DEVELOPMENT PLAN. When the port commission
21 decides to finance a project in whole or in part by the use of revenue
22 bonds, it shall prepare a development plan for submission to the
23 governing body. The development plan must contain

24 (1) the boundaries of the project area in relation to
25 highways, streets, streams, or otherwise and a legal description of
26 the area;

27 (2) the location and extent of existing streets and other
28 public and private structures within the project area and a
29 designation of the location, character, and extent of the categories

1 of public and private land uses proposed for the project area;

2 (3) a description of existing improvements in the project
3 area to be demolished, repaired, or altered, a description of any
4 repairs and alterations, and an estimate of the time required for
5 completion;

6 (4) the location, extent, character, and estimated cost of
7 the improvements including rehabilitation contemplated for the project
8 area and an estimate of the time required for completion;

9 (5) a statement of the construction or stages of construc-
10 tion planned, and the estimated time of completion of each stage;

11 (6) a description of any parts of the project area to be
12 left as open space and the use contemplated for the space;

13 (7) a description of any portions of the project area that
14 the commission intends to sell, donate, exchange, or lease to or from
15 the municipality and the proposed terms;

16 (8) a description of desired zoning changes and changes in
17 streets, street levels, intersections, and utilities;

18 (9) an estimate of the cost of the project and a statement
19 of the proposed method of financing the project and the ability of the
20 authority to arrange the financing;

21 (10) designation of the person to whom all or a portion of
22 the project is to be leased, sold, or conveyed if that information is
23 available to the commission.

24 Sec. 29.35.670. APPROVAL OF DEVELOPMENT PLAN. (a) Upon receipt
25 of a development plan from the port authority, the governing body
26 shall hold a public hearing on the plan. After the public hearing,
27 the governing body shall by ordinance approve or reject the plan, or
28 approve it with modification.

29 (b) Amendments to an approved development plan must be submitted

1 by the authority to the governing body for approval or rejection.

2 Sec. 29.35.680. BUDGET. The director of the port authority
3 shall prepare and submit for the approval of the port commission a
4 budget for the operation of the authority for the ensuing fiscal year.
5 The budget shall be prepared in the manner and contain the information
6 required of municipal departments. Before the budget may be adopted
7 by the commission, it must be approved by the governing body of the
8 municipality. Money of the municipality may not be included in the
9 budget of the authority except that money authorized by the governing
10 body of the municipality.

11 Sec. 29.35.690. DISSOLUTION. A port authority may be dissolved
12 by ordinance approved by the voters. The property and assets of the
13 authority remaining after the satisfaction of the obligations of the
14 authority belong to the municipality.