

United States Senate

WASHINGTON, DC 20510

December 15, 2010

The Honorable David Matsuda
Administrator
Maritime Administration
West Building
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Administrator Matsuda:

I write to raise concerns and seek information about the construction of the Port of Anchorage (POA) Intermodal Expansion project. I am troubled by reports I have received of complications during this year's construction season and of the potential financial ramifications for federal taxpayers and for other entities which have contributed funding for the expansion project.

As you know, the Maritime Administration (MARAD) is the federal agency tasked with providing oversight and coordination for the Port. I appreciate MARAD briefing my staff on the status of the project earlier this week. It is my understanding that project construction has shut down for the winter, and MARAD is currently in the process of conducting an analysis to determine the cause of the construction difficulties. I respectfully ask for a copy of this causal analysis as soon as it is prepared and request MARAD to take swift corrective action to ensure the project is ready to move forward in a productive direction for the upcoming spring construction season.

The POA serves over 80 percent of the state's population and 90 percent of commodities entering Alaska transit through the POA. It is imperative the POA has safe, reliable infrastructure and the capacity to meet the needs of the state and its residents. While I continue to support the project, I am also concerned with the rising cost estimates. MARAD needs to ensure our limited federal resources are used properly.

I have several questions about the project which I request MARAD answer as soon as possible:

- When did MARAD discover that the contractor encountered "hard driving conditions" in driving the sheet pile?
- What is MARAD's timetable for investigating problems with the sheet pile and recommending corrective action?

Administrator Matsuda

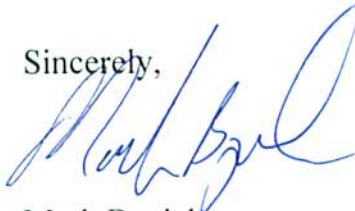
December 15, 2010

Page 2

- When did MARAD determine that a substantial amount of the sheet pile already installed appears to have failed?
- What accounts for the sheet pile failure?
- Please detail the chain of authority for overseeing the installation of the sheet pile.
- Does MARAD believe the sheet pile installation problems can be corrected, or will the expansion to date have to be removed and re-installed?
- How much local, state and federal dollars have been spent to date on the port expansion project?

Thank you in advance for your attention to this matter. I look forward to MARAD keeping my office informed of new developments. If you have any questions please do not hesitate to contact me or my Chief of Staff, David Ramseur at (202) 224-3004.

Sincerely,



Mark Begich
United States Senator

cc: The Honorable Dan Sullivan, Mayor, Municipality of Anchorage
Bill Sheffield, Director, Port of Anchorage