



# COOK INLETKEEPER®

PROTECTING ALASKA'S COOK INLET WATERSHED AND THE LIFE IT SUSTAINS

VIA FACSIMILE ONLY  
(202-224-7327; 202-225-4188)

January 12, 2009

Senator Harry Reid, Majority Leader  
United States Senate  
528 Hart Senate Office Bldg  
Washington, DC 20510

Congresswoman Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
235 Cannon House Office Building  
Washington, DC 20515

## **RE: PORT OF ANCHORAGE (ALASKA) EXPANSION STIMULUS PLAN SPENDING**

Dear Majority Leader Reid & Speaker Pelosi:

We are writing to bring to your attention a proposal for stimulus plan spending in Alaska that presents major fiscal, technical and environmental concerns.

The Municipality of Anchorage's Port of Anchorage has underway a seven year expansion project, costing an estimated \$1 billion. To date, the State of Alaska and the Municipality of Anchorage have contributed relatively little to the project, while over \$200 million has come from federal earmarks, largely secured by former Senator Ted Stevens and passed through the U.S. Department of Transportation, Maritime Administration. (This is the first port expansion in the U.S. in which the Maritime Administration has taken the project lead.) No other port in the country has received this much federal largesse, even for projects identified as important for homeland security. And the Port has no business or financial plan to pay for the remaining unfunded construction costs of the project. Instead, it hopes to secure additional federal funds to pay for those costs.

The Port expansion project will destroy over 135 acres of prime salmon and beluga whale<sup>1</sup> habitat in Alaska's Cook Inlet. Because of its adverse environmental impacts, all the major

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<sup>1</sup> The National Marine Fisheries Service in October 2008 listed the Cook Inlet beluga whale under the federal Endangered Species Act.

federal resource agencies opposed the project's lay out and questioned its need. Furthermore, while the project lies in an area of high seismic activity, there has been no independent third-party geotechnical analysis of the stability of the sheet pile design that is being used in unprecedented ways. Despite these facts and the huge costs, prior to its approval by the Maritime Administration and U.S. Army Corps of Engineers, no Environmental Impact Statement was prepared for the project.

Moreover, the Port of Anchorage has never demonstrated a need for an expansion of the size and scope being pursued. In fact, for one aspect of the project - a new, dedicated cruise ship dock - the Port director admitted it was being built on a "build it and they will come" basis, notwithstanding the fact that less than a handful of cruise ships visit the Port annually. While the project may be close to "shovel ready" in the sense that it has been permitted, there's no financial or business plan in place to utilize this grandiose facility once it is completed, let alone generate the operating revenues needed to keep it running. Indeed, the Port's tonnage has been decreasing in recent years, and there are no significant revenue increases forecast.

Finally, at a time when infrastructure development should be embracing cleaner and more sustainable transportation alternatives, the Port of Anchorage expansion project fails to include even the most basic "green" technologies necessary to lead Alaska shipping into the 21<sup>st</sup> century.

Thus, in our view it would be irresponsible to direct additional federal funds to the Port of Anchorage until the project's need, cost, geotechnical, and environmental questions have been fully explored and answered to the satisfaction of the federal resource and other interested agencies.

Additional information is available at: [www.inletkeeper.org/watershedwatch/port.htm](http://www.inletkeeper.org/watershedwatch/port.htm)

Thank you for your attention to this matter and please do not hesitate to contact me at 907.235.4068 x22 or [bob@inletkeeper.org](mailto:bob@inletkeeper.org) if you have additional questions.

Very truly yours,



Bob Shavelson  
Executive Director

Signed on behalf of:

Toby Smith, Executive Director  
Alaska Center for the Environment

cc: (VIA FACSIMILE ONLY)

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