

Port of Anchorage Intermodal Expansion Comparison

May 6, 2011

| Limited Expansion | Full Expansion |
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| <p>Description: Complete Barge Berth areas (including rail extension) and North Extension Berth I. Realign the southern taper of North Extension I to remove affected sheet pile and potentially reduce sedimentation in TOTE's existing berth. All container and bulk cargo operations will remain in their current position on the existing dock, which does not meet current seismic standards. Due to severe pile corrosion it must be rehabilitated to maintain existing port operations.</p> | <p>Description: Complete all phases of the Port of Anchorage Intermodal Expansion Project as set forth in the preferred alternative design. This includes the Wet & Dry Barge Berths Areas; North Extension I, II and III; the South Replacement and South Extension; and the Center Replacement.</p> |
| <p>Results:</p> <ul style="list-style-type: none"> • Rehabilitates the existing deteriorated dock • Adds 65 acres of marine industrial property • Adds 2 barge berths and 1 ship berth • Rail Extension to facilitate cargo & military shipments • Adds 2 "essential facilities" designed to remain operational following a large seismic event • Secured access to Port facilities via an access road from Joint Base Elmendorf-Richardson (JBER) to the POA • Easily facilitates DoD strategic seaport requirements through increased acreage available within 72 hours <hr/> <p>Drawbacks:</p> <ul style="list-style-type: none"> • The existing deteriorated dock is not replaced • TOTE and Horizon would not move, they would be limited to their current operational areas • Unknown seismic performance • Limits operating draft to -35ft in cargo ship berths • No new crane installation reducing the opportunity to expand container service to Alaska through larger, more efficient ships • No upgraded fuel loading system • Does not provide an "essential facility" at fuel berths • No resolution for scheduling conflicts between petroleum and cement ships • Sacrifices the addition of 70 new acres of marine industrial property limiting the Port's future revenue and growth potential • 25 year design life at best • Potentially high risk, O&M, and opportunity costs | <p>Results:</p> <ul style="list-style-type: none"> • Replaces the existing deteriorated dock • Adds 135 acres of marine industrial property • Adds 2 barge berths and 3 ship berths • Rail extension to facilitate cargo & military shipments • Adds 3 "essential facilities" designed to remain operational following a large seismic event • Secured access to Port facilities via an access road from Joint Base Elmendorf-Richardson (JBER) to the POA. • Easily facilitates DoD strategic seaport requirements through increased acreage available within 72 hours • Installation of (3) 100' gauge cranes which can accommodate larger ships, 18-21 containers wide • Upgraded fuel loading system • Resolves existing conflict between the petroleum and cement berths • Meets a defined seismic performance objective • Increases operating depth to -45ft in cargo ship berths • Allows for an optional dedicated cruise ship berth • 50 year design life <hr/> <p>Drawbacks:</p> <ul style="list-style-type: none"> • Large upfront project cost • Moving the Port's current customers to temporary berths • Access to only one fuel berth during construction of the south end |
| <p>Fully Funded Schedule: 3 years to complete North End 15 years to complete dock rehabilitation</p> | <p>Fully Funded Schedule: 6 years to complete North End 6 years to complete South End 4 years to complete Center</p> |
| <p>Full Funding Required¹: \$222 million to complete the Barge Berths & North Ext I \$175 million to rehabilitate existing facility, consisting of: \$104 million for pile sleeves \$9 million for rehabilitation dredging \$12 million in drainage, sewer & water system upgrades \$50 million for corrosion control</p> <p><u>Total: \$397 million</u></p> | <p>Full Funding Required¹: \$322 million to complete Barge Berths, North Ext. I, II & III \$300 million to complete the South End \$300 million to complete the Center Replacement</p> <p><u>Total: \$922 million</u></p> |

¹ **THESE ARE PRELIMINARY COST ESTIMATES. OPERATIONS & MAINTENANCE COSTS AND RISK COMPARISON ARE NOT INCLUDED.**