



Municipality of Anchorage

Office of the Mayor

Ethan Berkowitz, Mayor

November 19, 2015

Honorable Kevin Meyer
Senate President
Alaska State Legislature
716 W. 4th Avenue, Suite 500
Anchorage, AK 99501-2133

Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
716 W. 4th Avenue, Suite 600
Anchorage, AK 99501-2133

To Senate President Meyer and House Speaker Chenault:

This letter constitutes the progress report for the first quarter of SFY 2016 from the Municipality of Anchorage regarding the Anchorage Port Modernization Project (APMP.) Submitted pursuant to Section 1, Chapter 5 FSSLA 2011 (pg. 20, line 16-18), the Municipality of Anchorage reports quarterly progress detailing cost overruns and significant project scope changes. During the current reporting period there have been no cost overruns or significant project scope changes.

Additional information is available on www.portofalaska.com, or by request.

I look forward to discussing this project with you during session. Please do not hesitate to contact me if you require any further assistance.

Sincerely,

Ethan Berkowitz
Mayor

cc: The Honorable Bill Walker, Governor
Alaska State Senate
Alaska State House of Representatives



Anchorage Port Modernization Project
SFY 2016 First Quarter Report
September 30, 2015

INTRODUCTION

The Port of Anchorage (POA) provides critical infrastructure to support shipment of goods and fuel to a majority of the citizens of the State of Alaska. This includes fuel supplied to Joint Base Elmendorf-Richardson and Ted Stevens Anchorage International Airport.

The existing terminals are reaching the end of their useful life due to severe corrosion on piling. The Anchorage Port Modernization Project (APMP) is intended to provide new terminals for shipping companies calling on Alaska via the state's busiest freight distribution hub: Anchorage.

With the concept design now selected and approved, work is under way to complete the design work on shoreside facilities, and the petroleum docks. An award was made to Kiewit Construction to perform a test pile program at the start of the 2016 construction season. The purpose of that program is to inform the final design of new dock facilities so that cost figures can be more confidently determined.

TASK ORDER (TO) STATUS

The following project task orders (TOs) are under way:

Project Management/Construction Management Services (CH2M):

- Work in Progress:
 - TO 2 – Project Management Office (PMO)
 - Finalizing electronic document management system configuration and testing plans
 - Maintaining budget and status reports
 - TO 4 – Test Pile Work Plan
 - Administering construction contract w/ Kiewit
 - Continuing permitting process

- TO 5 – Precursor Activities for the Marine Terminal Designers of Record Procurement
 - Submitted Draft Evaluation of Design Alternatives to Satisfy MOA Geotechnical Advisory Commission Recommended Seismic Performance Requirements. Addressing Port comments.
- TO 8 – Landside Site Investigation
 - Continuing geotechnical and environmental assessments for landside buildings and trestle landings
 - Continuing all boundary and control surveys and topographical surveys for landside buildings, marine terminals, and trestle landings.
- TO 9 – APMP Permitting
 - Held agency pre-application meeting

Construction Services:

- Test Pile Program
 - Contractor: Kiewit Infrastructure West Co.
 - Contract Amount: \$5,653,900
 - Period of Performance: June 29, 2015 – August 1, 2016
 - Work in Progress: Geotechnical work is planned to begin in October 2015, with test pile driving planned to commence spring 2016.

Additionally, funding for the project is critical to move forward with the phasing.

See the phased project visual as attachment 1.



ANCHORAGE

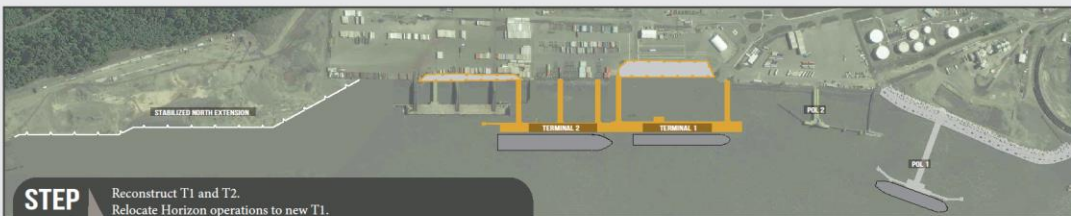
PORT MODERNIZATION PROJECT



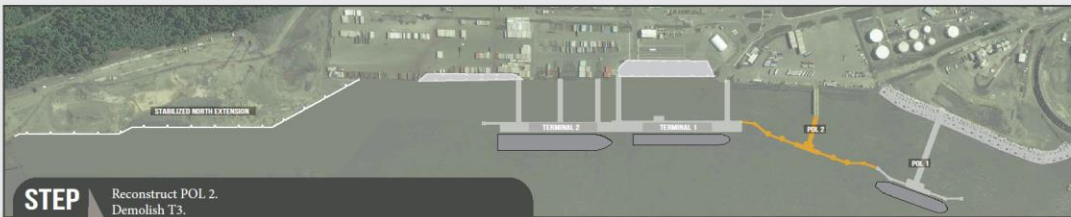
STEP 1
Construct new POL 1.
Construct new facilities on port uplands for Transit Building operations.
Relocate cement operations to new POL 1.
Relocate Transit Building operations to the port uplands.



STEP 2
Cut back and stabilize North Extension.



STEP 3
Reconstruct T1 and T2.
Relocate Horizon operations to new T1.
Relocate TOTE operations to new T2.



STEP 4
Reconstruct POL 2.
Demolish T3.



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FUNDING SUMMARY-As of September 30, 2015

ANCHORAGE PORT MODERNIZATION PROJECT
BUDGET REPORT

Data Through - 9/30/2015



Functional Area	Budget	Current Commitments	Uncommitted Funds (Budget - Current)	Estimate at Completion	PJTD Actuals	WIP/Pending Invoices	Total Expended	% Spent
Project Management	\$54,000,000	\$11,361,464	\$42,638,536	\$54,000,000	\$5,643,346	\$604,000	\$6,247,346	12%
Misc. Project Support	\$990,325	\$754,502	\$235,823	\$990,325	\$224,492	\$54,650	\$279,142	28%
Test Pile	\$7,500,000	\$6,653,900	\$846,100	\$7,500,000	\$0	\$0	\$0	0%
Land Side Buildings	\$10,462,142	\$0	\$10,462,142	\$10,462,142	\$0	\$0	\$0	0%
North Extension Stabilization	\$120,481,885	\$0	\$120,481,885	\$120,481,885	\$0	\$0	\$0	0%
POL 1 / POL 2	\$58,536,707	\$0	\$58,536,707	\$58,536,707	\$0	\$0	\$0	0%
Terminal 1 / Terminal 2 / Terminal 3	\$225,020,841	\$0	\$225,020,841	\$225,020,841	\$0	\$0	\$0	0%
TOTAL	\$485,000,000	\$17,769,866	\$467,230,134	\$485,000,000	\$5,867,838	\$658,650	\$6,526,488	1%
TOTAL FUNDING	\$126,796,015							
TOTAL FUNDING REQUIRED	\$358,203,985							

Funding	
2012 State Capital Grant	\$ 20,266,014.98
2013 SB100 State Grant	\$ 47,530,000.00
2013 State GO Bond	\$ 58,999,999.99
TOTAL FUNDING	\$ 126,796,014.98



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CONCLUSION

The path forward continues to be clear. The MOA and POA are committed to orderly and efficient port development, with local control and accountability. The next phases of the project are to implement the test pile program and finalize the design, but the most important component remains securing funding.

Stakeholders representing Port users and vessel operators, technical and subject matter experts, and POA and MOA leadership support the selected concept design.

This Port infrastructure is critical to the state. There is no other facility in Alaska more capable, centrally located or affordable for shippers and consumers. Alaska needs to invest in securing and modernizing this port to ensure dependable cargo service for Southcentral Alaska for at least 75-years into the future.

With continued support from the State of Alaska we can complete design and construction of the modern, efficient port facility that is necessary to serve the citizens of Alaska for decades to come.