

Department of Transportation and Public Facilities

OFFICE OF THE COMMISSIONER Ryan Anderson, P.E., Commissioner

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June 13, 2024

The Honorable Pete Buttigieg Secretary U.S. Department of Transportation 1200 New Jersey Ave, SE Washington, DC 20590

RE: Dutch Harbor CMA Terminal MARAD USMH Program Grant

Dear Secretary Buttigieg:

Please accept this letter as the State of Alaska's Department of Transportation and Public Facilities (DOT&PF) endorsement of CMA Terminals (CMAT) Alaska and its M-5 (AK), Alaska Coastline Marine Highway Grant Project application for consideration under the FY 2024 United States Marine Highway (USMH) grant opportunity. CMAT Alaska, a private sector owner of the development site in 1125 East Point Road Dutch Harbor, Alaska 99692, intends to submit a grant application for a FY 2024 USMH Program Grant under the Maritime Administration's ("MARAD") open Notice of Funding Opportunity (NOFO).

The State of Alaska Department of Transportation and Public Facilities is a USMH Route Sponsor for the M-5 (AK). The M-5 Alaska Marine Highway Route consists of the Pacific Ocean coastal waters, including the Inside Passage, connecting commercial navigation channels, ports, and harbors from Puget Sound to Unalaska in the Aleutian Islands of Alaska. It spans British Columbia and lower Alaska and connects to the M-A1 Crossing near Anchorage, AK and the M-5 Route at the Canadian border north of Bellingham, WA. The M-5 also connects to the newly established M-11 Route. The M-11 Route, also known as the Arctic Gateway Marine route, aims to incorporate all navigable waterways and ocean channels for the transportation of goods, commodities, and services to, from, and across Southwestern and Northern Alaska. While several Marine Highway operations already serve this Route, there is significant opportunity for expansion to help address growing congestion, reduce greenhouse gas emissions, conserve energy, and lower landside infrastructure maintenance costs.

CMA Terminals Alaska marine highway project will serve the designated M-5 (AK). The Alaska DOT&PF believes CMAT Alaska's project will promote marine highway transportation with

acquisition of valuable equipment necessary to support CMAT Alaska's barge operation that endures the complexity of its remote physical location that can make services tenuous at times. CMA Terminals Alaska's proposed project is the acquisition of necessary equipment vital in the development of the USMHP. The project will invest in a new reach stacker and replace a generator and quay forklift which align with the progression to promote Marine Highway Transportation services and yield substantial benefits for our local economy, infrastructure, and environmental sustainability.

The project's concept and significant benefits remain consistent with the purpose behind the USMH Program and vision set out in the original Route Designation application. Aligned with the Alaska Long Range Transportation Plan, including its Freight Element, this project offers the potential for enhancing the region's transportation infrastructure. If awarded, the Department of Transportation & Public Facilities will incorporate the project and grant funding into the Statewide Transportation Improvement Program if required.

Respectfully,

Ryan F. Anderson, P.E.

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Commissioner