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November 15, 2012

Mr. Duane Callender
Director
Transportation Infrastructure Finance and Innovation Act Joint Program Office
United States Department of Transportation
1200 New Jersey Avenue, SE
Room E64-302
Washington, DC 20590

Dear Mr. Callender,

I have received a copy of your September 25, 2012 letter to the Knik Arm Bridge and Toll Authority (KABATA). In that letter, you state that the U.S. Department of Transportation (US DOT) is postponing consideration of our Transportation Infrastructure Finance and Innovation Act (TIFIA) Letter of Interest until the State appropriates, or is reasonably likely to appropriate, funding for the KABATA Project (Project).

As you know, the Alaska Legislature has previously authorized the use of federal funds and has appropriated State matching funds for the Project. The construction phase is included in the approved Statewide Transportation Improvement Program. KABATA is currently purchasing the right-of-way and acquiring the permits necessary for construction. In addition, my Capital Budget will be submitted to the Alaska State Legislature in December, and it is my intent to include funding for a Project Reserve.

KABATA will continue to work closely with your office, and the State of Alaska expects full consideration by US DOT and your office for an invitation to submit a TIFIA loan application on behalf of the successful proposer.

Best regards,

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Sean Parnell Governor