

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

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February 20, 2009

The Honorable Bert Stedman
Chair, Senate Finance Subcommittee on Transportation & Public Facilities
Alaska State Legislature
State Capitol, Room 516
Juneau, Alaska 99801

Dear Senator Stedman:

The analysis of the American Recovery and Reinvestment Act (ARRA) provisions pertaining to surface transportation reveals Alaska is eligible to receive approximately \$175.5 million.

The following requirements apply to the funding for reads and bridges:

- Funding is provided by formula
- All funds flow through state DOTs
- 50% of the funds must be obligated within 120 days
- Remaining 50% must be spent within one year
- 67% to be used on state highways and roads
- 19% to be used on state and local projects in communities with populations less than 5,000
- 11% to be used in communities with populations greater than 200,000
- 3% to be used for transportation enhancement projects (sidewalks, bike paths, waysides etc.)
- Use it or lose provisions apply
- All projects must be in a current State Transportation Improvement Plan (STIP – Amendment #18 for Alaska is out for public comment)
- No state match is required

In preparation for receipt of federal stimulus funds the department identified projects meeting the following criteria:

- Able to obligate funds for construction within 1 year
- Have completed all phases in accordance with federal regulations

“Providing for the safe movement of people and goods and the delivery of state services.”

This set of projects was then prioritized using the following criteria:

1. Primary purpose is to improve road safety
2. Located in economically distressed areas as defined in the bill
3. Provides gas pipeline logistical benefits
4. Leverages dollars from other sources such as the Denali Commission
5. Construction can begin ("turn dirt") in 2009

The enclosed spreadsheet presents the projects separated into 3 categories:

1. Recommended Projects – projects the department recommends for economic stimulus funding
2. Contingent Projects – projects the department recommends for funding should additional funds be available from other states under the "use it or lose it" provisions.
3. Ineligible Projects – projects that had been considered for inclusion and may have appeared on lists but based on the final ARRA provisions are no longer eligible.

The ARRA provides \$41.6 million to Alaska for transit projects. \$32.5 million goes directly to Anchorage and Fairbanks. \$9.1 million is available for transit projects elsewhere in the state. This funding goes through DOT&PF for distribution.

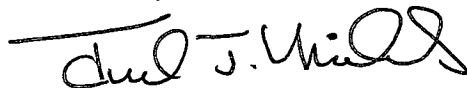
Transit funding can only be spent on capital expenditures such as:

- Buses and bus stops
- Passenger service vehicles
- Administrative buildings
- Administrative vehicles

Department staff surveyed the universe of previous transit recipients to develop a "needs list." Two shovel-ready transit projects for construction have been identified; the remainder of the transit funds will be allocated to vehicles and related needs, based on existing transit scoring and criteria. All eligible organizations will be notified. The transit projects are also found on the enclosed spreadsheet.

If you have any additional questions, please contact Frank Richards at 465-3906.

Sincerely,



For Leo von Scheben, P.E., L.S., M.B.A.
Commissioner

Enclosure

cc: Frank Richards, Deputy Commissioner of Highways & Public Facilities, DOT&PF
Mary Siroky, Legislative Liaison, DOT&PF
Nancy Slagle, Director, Division of Administrative Services, DOT&PF
Karen Rehfeld, Director, Office of Management and Budget
Jerry Gallagher, Legislative Director, Office of the Governor