

Memo

Date: March 22, 2011.

To: Michael Foster, Knik Arm Bridge and Toll Authority

CC. Governor Sean Parnell, Commissioner Marc Luiken, Randall Ruaro

From: Professor Scott Goldsmith, Institute of Social and Economic Research, University of Alaska Anchorage

Subject: Distribution of Misinformation Regarding KABATA Population Predictions

Mr. Foster

Please stop implying that the KABATA population projections for the Matsu Borough, whatever they are, are “in line with other forecasts” including those of the Institute of Social and Economic Research (ISER). Also please stop characterizing the KABATA population prediction as essentially equal to the ISER projections as you did in the Anchorage Daily News (ADN) Compass piece published on November 2, 2011 and in a recent e-mail to Anchorage community council presidents.

THE KABATA PREDICTION IS NOT WITHIN 1% OF THE ISER PROJECTION, as you have stated. THE ISER 2035 PROJECTION OF 170 THOUSAND IS 12% LOWER THAN YOUR STATED KABATA PREDICTION OF 191 THOUSAND.

I have compiled all the population projections for the Matsu Borough that I can find published since 2005 (see graph). They show a dramatic variation in population projected for the Borough for 2030. In fact the range is from about 130 thousand to 250 thousand—a difference of nearly 100 %. Clearly there has not been consensus among the experts on the expected growth of the Borough. So to say that the KABATA projections are “in line with other forecasts” is not correct.

Curiously, there are two projections missing from the graph because, although you mention them, they can not be found. One is the population projections used in the most recent Wilber Smith Update of the Traffic and Toll Revenues Study (2011) done for KABATA. Whatever those projections may be, to the best of my knowledge, they have never been made public. They certainly are not in the published report. As I have indicated elsewhere, it is impossible to assess the validity of the Wilber Smith analysis of traffic and tolls without even this basic information about what is driving their analysis.

The other missing projection is the Woods & Poole projection that you mention on the KABATA website on March 12 of this year, implying that it is “in line” with the KABATA projection. However that projection does not, to the best of my knowledge, appear on your website nor can it be found

elsewhere in the public domain. Again it is impossible to judge the quality of that projection or even what it is without being able to see it.

The graph also shows that the ISER projection of Matsu Borough population for 2035 is 170 thousand. This is 12% or 20 thousand less than the KABATA prediction of 191 thousand reported in the ADN article (but not to be found anywhere in the Wilber Smith report, or as far as I can tell, on the KABATA website. So it is impossible to say if this prediction is for the entire Matsu Borough, or for the AMATS planning region which excludes a portion of the Borough area and population.). THE KABATA PREDICTION IS NOT, as you have stated, WITHIN 1% OF THE ISER PROJECTION. The difference between 170 and 191 thousand is not insignificant but rather equal to several Palmers.

As the author of the ISER report, I stand by the ISER projection based on the assumptions, all publicly available in the written report, which drive the analysis. Although the ISER projection came in low compared to the 2010 census, I do not believe an upward shift in the entire projection is warranted for reasons I recently made clear to the AMATS technical staff. Further evidence that an arbitrary 11% upward adjustment is not warranted is the 2011 Alaska Department of Labor population figure for the Borough which indicates a SLOWER growth rate than the ISER projection.

You of course are free to use any numbers you want in the KABATA analyses. But do not hide the numbers and imply that they are the essentially the same as the ISER projection. Let people see and judge for themselves.

Finally, your statement in the March 2012 KABATA website that “these independent forecasts show that the Matsu borough population will double in the next 25 years” is incorrect. The Alaska Department of Labor projects an increase of only 76% (86 thousand in 2009 to 152 thousand in 2034).

Scott Goldsmith

Matanuska Susitna Borough Population Projections

