

Department of Transportation and **Public Facilities**

OFFICE OF THE COMMISSIONER

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February 21, 2025

The Honorable Jesse Bjorkman Chair, Senate Transportation Committee Alaska State Capitol, Room 427 Juneau, AK, 99801

Delivered via email to Senate.Transportation@akleg.gov

Dear Chair Bjorkman:

Thank you for the opportunity to provide follow-up responses to the questions raised during the Senate Transportation Committee hearing on February 11, 2025. We appreciate the committee's engagement and interest in Alaska's transportation infrastructure and operations. The inquiries from committee members are addressed and we supporting tables with detailed information are enclosed for your reference.

Status of Federal Fiscal Year (FFY) 2024 Projects Not Awarded

Senator Kiehl inquired about the status of the 14 projects that were not awarded in FFY2024, along with the dates of the most recent action. The department continues to monitor the progress of these projects.

Resolved Projects (\$ in whole figures)

Project Name	Recent Action	Award Amount
Wolfe Point Slope Stability Improvements	Rebid and awarded on 10/3/2024	\$5,178,018
Wrangell Airport Gate and Security Upgrades	Rebid and awarded on 10/23/2024	\$2,374,185
Anchorage Flashing Yellow Arrow & Signal Head Display Improvements Drilling Services	Rebid and awarded on 8/1/2024	\$144,300
Anchorage International Airport Terminal Water Main Improvements	Awarded under the ANC North Terminal Northside Aprons and Taxilane Reconstruction contract on 10/22/2024	\$10,559,775
Culvert Replacement with Associated Pavement, Sidewalk, And Drainage Repairs - Immediate Emergency Repairs and Traffic Control	Emergency procurement awarded via waiver in August 2024	\$250,000

In Progress Projects

Project Name	Recent Action	Estimated Award
Anchorage International Airport	Scheduled for advertisement in February 2025	<\$500,000
Old AFM Gate		
Alaska Office Building	To be incorporated into a larger contract; not	<\$500,000
Dewatering Well	rebid separately. No timeframe provided.	
Mt. Edgecumbe High School	Expected to be rebid in 2025	<\$500,000
Building 295 Heritage Hall		
Window Upgrades		
Takotna River Bridge	First bid exceeded our estimates by more than	\$5,000,000-
Replacement and Takotna: Gold	170%; currently open for bids.	\$30,000,000
Creek Bridge & Tatalina Bridge		
Replacement		

Outstanding Projects

Project Name	Recent Action	Estimated Award
Sheldon Jackson Museum Door	Went out for bid three times, currently evaluating	<\$500,000
Replacement	options	
Northern Region Tok District	No bids received. No prospective bidders and no	<\$500,000
Belly Dump Truck	plans to rebid in FFY2025.	
Healy Station Shop Roof	Intended to be reissued for bid after several	\$500,000 -
Improvements, Nenana Station	months to explore new funding sources and/or	\$5,000,000
Shop Roof Improvements	alternative designs	
McHugh RWIS Tower Upgrade	Bid was high– Electrical design to be revised to	\$500,000 -
	reduce construction costs; planned to go out for	\$5,000,000
	bid FFY2026	
Little Diomede Helipad	First bid was more than 430% higher than	\$5,000,000-
Improvements	expected – Currently in the funding plan for 2028	\$30,000,000

Historic Look Back on Project Bids and Awards

Senator Tobin requested a historical analysis of quarterly bids and awarded projects to assess trends in procurement. Below is a table detailing the number of contracts processed and awarded per quarter, spanning FFY2019 through FFY2025 Q1.

FFY & Quarter	Contracts Processed	Contracts Awarded
FFY2019 Q1	37	36
FFY2019 Q2	23	22
FFY2019 Q3	45	41
FFY2019 Q4	26	24
FFY2020 Q1	19	19
FFY2020 Q2	27	27
FFY2020 Q3	28	27
FFY2020 Q4	42	42

FFY2021 Q1	10	10
FFY2021 Q2	24	24
FFY2021 Q3	34	33
FFY2021 Q4	45	45
FFY2022 Q1	26	24
FFY2022 Q2	36	35
FFY2022 Q3	52	47
FFY2022 Q4	55	51
FFY2023 Q1	32	31
FFY2023 Q2	28	28
FFY2023 Q3	43	39
FFY2023 Q4	37	33
FFY2024 Q1	28	23
FFY2024 Q2	22	22
FFY2024 Q3	37	33
FFY2024 Q4	52	48
FFY2025 Q1	41	40

Proportion of FFY2025 Projects Awarded or Out for Bid

Senator Kiehl inquired about the proportion of FFY2025 projects that have already been awarded or are currently out for bid. There are several items on our procurement list that are not directly tied to major construction projects.

Since October 1, 2024:

- 55 contracts have been awarded including Job Order Construction Contract (JOCC) and other smaller contracts.
- 93 contracts are listed on the tentative award schedule for FFY2025.
- Based on these numbers, 42 percent to 59 percent of contracts planned for advertisement this fiscal year have already been awarded. The complete list of awarded projects is enclosed.

To provide further clarity on project awards across Alaska, we have categorized awarded construction contracts by Central, Northern, and Southcoast Regions. These tables detail the project name, bid opening date, number of bids received, engineer's estimate, and awarded amount. The project in these three below tables equal \$178.5 million.

Central Region Construction Contracts (10/1/2024 - 2/12/2025): \$104.6 Million (\$ in whole figures)

Contract Name	Bid Opening	Bids	Award
Contract Name	Date	Received	Amount
Valdez Airport Snow Removal Equipment and	08/30/2024	4	\$12,951,576
Deicing Materials Storage Building			
ANC North Terminal Northside Aprons and	09/04/2024	4	\$29,350,750
Taxilane Reconstruction			

Chenega Bay Airport Lighting Improvements	09/11/2024	5	\$2,097,940
ANC Firing Range Maintenance	10/02/2024	1	\$325,721
Aviation Building Main Conference Room	10/09/2024	1	\$258,119
Upgrades			
Bogard Rd Pav Preservation: Trunk Rd To Wasilla-	10/11/2024	5	\$11,392,654
Fishhook Rd			
Old Glenn Highway Brush Cutting	10/16/2024	4	\$541,950
Anchorage Area Refuse Removal And Tree	10/29/2024	1	\$250,000
Clearing			
Seward Highway MP 98.5 - 118 Signage Project	10/30/2024	1	\$1,396,800
Parks Highway Phase II - Railroad Creek Bridge	11/06/2024	8	\$12,407,340
Homer Spit Emergency Repairs	11/18/2024	1	\$2,100,000
Nightmute Airport Improvements	11/20/2024	4	\$21,998,535
Highway Safety Improvement Plan (HSIP) Church	12/04/2024	3	\$293,969
Rd And Spruce Ave Intersection Flashing Beacon			
Kenai Peninsula Bridge Deck Rehabilitations	01/08/2025	5	\$3,694,520
FY2023			
AMATS: VFW Road: Eagle River Loop To Eagle	01/10/2025	6	\$3,663,071
River Road Pavement Preservation			
Juneau State Office Building North Garage	01/17/2025	2	\$1,860,000
Renovation			

Northern Region Construction Contracts (10/1/2024 - 2/12/2025): \$18.0 Million

Contract Name	Bid Opening Date	Bids Received	Award Amount
Glenn/Richardson Highway Right Of Way Reconciliation	09/10/2024	3	\$638,130
Northern Region Preservation Maintenance FFY2024	09/10/2024	5	\$1,731,600
Steese Expwy / Gaffney Road Refuse Removal and Tree Clearing	10/04/2024	1	\$95,000
Northern Region and City of Fairbanks Systemic Signal Upgrades - Stage 1 (HSIP)	10/08/2024	3	\$5,176,571
Barrow Airport ARFF Water Line Relocation	11/13/2024	1	\$24,737
Nome Council Highway West Coast Storm Emergency Repairs October 2024	11/15/2024	1	\$474,680
Kotzebue Airport West Coast Storm Emergency Repairs October 2024	11/15/2024	1	\$90,446
Shishmaref West Coast Storm Emergency Repairs October 2024	12/20/2024	1	\$897,115
South Cushman St./Van Horn Rd. Signal Repair	12/27/2024	2	\$22,366
Cowles Street Reconstruction - Airport Way To East Cowles	01/16/2025	5	\$4,214,300
Whitshed Road And Pedestrian Improvements Cordova Rose Lodge Demolition	CMGC	2	\$655,525
AOGCC Orphan Well Plugging and Remediation Program - Stage 1 Southcentral Wells	CMGC	2	\$1,309,600

Southcoast Region Construction Contracts (10/1/2024 – 2/12/2025): \$55.9 Million

Contract Name	Bid Opening	Bids Received	Award Amount
	Date	Received	
State Street Pavement Rehabilitation	04/23/2024	1	\$26,985,160
Waydelich Creek: Upper & Lower Wall Repairs	07/25/2024	1	\$1,837,834
Wrangell Gate And Security Upgrades	08/27/2024	2	\$2,371,881
Sayles/Gorge St Viaduct (#1841) Improvement	11/07/2024	2	\$5,086,356
Haines Highway MP 23 & Lutak Rockfall/Slides	12/16/2024	1	\$65,000
10/12/24			
Petersburg Ferry Terminal Asphalt Removal and	12/20/2024	1	\$24,355
Replacement			
North Tongass Hwy Resurface: A/P F.T. To	01/16/2025	1	\$5,950,015
Ward Creek Bridge Stage 1			
Wolfe Point Slope Stability Improvements	CMGC	2	\$5,504,120
Hoonah Harbor Way Pedestrian Improvements &	CMGC	2	\$6,786,909
Pitt Island Cemetery Walkway			
Bridget Cove Creek Culvert Replacement		3	\$1,279,707

The department remains committed to advancing infrastructure projects efficiently while ensuring competitive and cost-effective procurement.

FAA Project Delays Due to FAA Funding Timelines

Senator Bjorkman asked for a list of projects that are being delayed now due to FAA funding timeline, and projects that DOT wanted to have out last year but were delayed to this season. Since the majority of FAA grants were received between July and September 2024, project awards were delayed until late in the construction season, pushing work into the 2025 construction season. The table below lists out airport projects with grants executed late in FFY2024 resulting in construction in 2025

Project Title	Bid Opening Date	Grant Execution Date
Akutan Generators Replacement	4/10/2024	7/29/2024
Atmautluak Airport Improvements - Stage 2	8/5/2020	9/10/2024
Buckland Airport Improvements - Stage 1	9/21/2024	-
Chenega Airport Lighting Improvements	9/11/2024	9/13/2024
Chevak Airport Improvements	6/28/2024	9/10/2024
Deadhorse Perimeter Fence, Drainage & Access Road -	8/29/2024	9/11/2024
Stage 1		
False Pass SREB	8/16/2024	9/3/2024
Kodiak Airport Gate and Security Improvements - Stage 2	8/6/2024	9/10/2024
Noorvik Airport Rehabilitation - Stage 3	8/24/2021	8/6/2024
Valdez SREB and Deicing Buildings Replacement	8/30/2024	9/10/2024

Wrangell Gate Replacement & Security Upgrades	8/27/2024	9/11/2024	
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August Redistribution Plan

Senator Bjorkman requested a list of projects on the August Redistribution Plan. As of February 16, 2025, DOT&PF has obligated \$125.1 million in funds subject to limitation. When DOT&PF obligates approximately \$628 million in these funds, Alaska may be eligible for an additional \$126 million in obligation limitation through a process called "August Redistribution." The August Redistribution Plan includes 375 projects; the complete list is enclosed. The table below provides a detailed breakdown of available revenue by fund type, planned obligations, and amounts obligated to date. A calculated field displays the revenue remaining available based on the obligations incurred. Finally, the obligation limitation is listed in the last column, allowing for a comparison of current obligations against the target of a fully utilized obligation limitation, which includes the additional \$126 million made available during August Redistribution. Figures listed are in whole numbers.

As of 2/16/2025	Revenue	Pla	nned Obligations	Ol	bligated to Date	Rev	enue Remaining	Ol	oligation Limitation
CMAQ	\$ 44,353,741	\$	16,463,187	\$	187,214	\$	44,166,527		
CRP	\$ 43,990,830	\$	9,050,616	\$	-	\$	43,990,830		
HSIP	\$ 62,148,112	\$	62,754,308	\$	155,889	\$	61,992,223		
Metro		\$	2,715,478	\$	-	\$	-		
NHFP	\$ 27,318,695	\$	12,434,648	\$	11,388,493	\$	15,930,202		
NHPP	\$402,986,901	\$	568,063,271	\$	51,196,138	\$	351,790,763		
PROTECT	\$ 20,633,044	\$	6,476,260	\$	580,495	\$	20,052,549		
RAIL	\$ 1,410,167	\$	1,401,917	\$	(33,000)	\$	1,443,167		
STBG	\$ 275,134,675	\$	480,338,520	\$	61,641,121	\$	213,493,554		
August Redistribution						\$	-	\$	126,000,000
Obligation Limitation						\$	-	\$	628,062,141
Grand Total	\$ 877,976,165	\$	1,159,698,205	\$	125,116,350	\$	752,859,815	\$	754,062,141

Agile Project Management Office

Senator Bjorkman inquired about the Agile Project Management Office (PMO). This office will function as a centralized hub for supporting, directing, and executing key project delivery initiatives. It will ensure the Department aligns with industry-leading project management practices and accelerates infrastructure deployment across the state. The PMO will play a pivotal role in project governance, process optimization, and risk management, ensuring that projects are delivered on time, within budget, and with full accountability. By adopting Agile methodologies, the PMO will introduce greater adaptability, iterative planning, and continuous feedback loops into DOT&PF's project management framework.

The office is led by an appointed director with support from three full-time staff members. The Agile PMO will report directly to the Commissioner's Office via the Deputy Commissioner, ensuring centralized oversight and uniform application of project management practices across all modes and divisions. Although it is a centralized statewide division, its operational support will be provided according to project needs. This arrangement is intended to support the department's more than 80 active project managers, particularly addressing uneven workload distribution.

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The Agile PMO will incorporate elements of all three PMO types as defined by the Project Management Institute (PMI):

- Supporting PMO: Provides best practices, training, tools, and templates for project managers to enhance efficiency and compliance.
- Directive PMO: Directly manages and oversees critical projects, ensuring alignment with department priorities.
- Controlling PMO: Establishes governance frameworks, standard operating procedures (SOPs), and real-time reporting mechanisms to enforce project accountability.

The PMO will not act as a bureaucratic entity but rather as a force multiplier for DOT&PF project teams, enabling faster decision-making, streamlined workflows, and proactive risk mitigation. The core objectives are to: Accelerate Project Delivery, Enhance Oversight and Accountability, Standardize Best Practices Across DOT&PF, Integrate Real-Time Cost & Inflation Monitoring, and Optimize Contractor Engagement & Bid Competitiveness. The establishment of the Agile PMO marks a significant transformation in how DOT&PF delivers infrastructure projects, manages risks, and ensures fiscal stewardship.

Please let us know if the committee requires any additional information or clarification.

Kind regards,

Katherine Keith, PMP, PMI-ACP

Deputy Commissioner

KATHERINE KETTH

Department of Transportation and Public Facilities

cc: Andy Mills, Legislative Liaison, Department of Transportation and Public Facilities Jordan Shilling, Legislative Director, Office of the Governor

Enclosed: August Redistribution Plan FFY2025