



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Transportation and Public Facilities

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

PO Box 112500
Juneau, Alaska 99811-2500
Main: 907.465.3900
dot.alaska.gov

February 25, 2025

Sean Holland, P.E.
Chair, AMATS Policy Committee
4111 Aviation Drive
Anchorage, AK 99519

Delivered via e-mail.

Subject: Response to January 22, 2025, Letter Regarding Anchorage Municipal Area Transportation Solutions (AMATS) Boundary and Operating Agreement Revision

Dear Chair Holland,

On January 22, 2025 Executive Director Jongenelen requested written explanations and clarifications from the Governor and myself regarding the Department of Transportation and Public Facilities (DOT&PF) and the Department of Law's concerns about the AMATS Operating Agreement and boundary changes. We hope the following explanations and clarification satisfy the request of the Policy Committee.

Legal Authorities Governing National Highway System Facilities in the MPA

The attached summary of legal authorities governing National Highway System (NHS) facilities within the Metropolitan Planning Area (MPA) includes controlling state and federal requirements. This document is intended to serve as a readily accessible reference for discussions among the Policy Committee, Technical Committee, and the public. The index is expandable, so please advise if additional topics related to Metropolitan Planning Organization (MPO)-State coordination should be included.

The legal authorities governing the inclusion of NHS projects in planning documents, as well as the selection or rejection of NHS projects within the MPA, are the primary focus of this summary. From the State's perspective, a key source of friction and delay in the planning process is AMATS's assertion of authority to select NHS projects for inclusion in or exclusion from planning documents. This assertion of authority over the selection of the State's NHS projects was in clearest display on November 21, 2024 when the AMATS Policy Committee voted to remove the Safer Seward Highway Project from AMATS's MTP, for the expressly stated purpose of removing the project from the Transportation Improvement Program (TIP) in Amendment 2. As explained in detail below, the selection of the State's NHS projects for inclusion in the TIP and the Statewide Transportation Improvement Program (STIP) is a State authority and not an MPO authority.

"Keep Alaska Moving"

The State's NHS projects are per se regionally significant by definition in federal regulations, as the State's NHS projects serve regional transportation needs such as access to and from the area outside the region. 23 CFR 450.104. Regionally significant projects *shall* be incorporated into the MPO's TIP and STIP in accordance with governing federal regulations. 23 CFR 450.326(f) and 23 CFR 450.218(h), respectively. Thus, the AMATS Policy Committee November 21, 2024 vote to remove the State's regionally significant NHS project was contrary to the duties imposed on that committee by federal regulations.

While both the State and the MPO have a duty to cooperate in the development of the TIP and STIP, federal law mandates that this cooperation be directed toward ensuring the inclusion of the State's selected NHS projects in these planning documents, rather than their exclusion. For your situational awareness, federal regulations do not limit the definition of "regionally significant" projects to NHS facilities. As such, MPO projects such as principal arterial highways may also benefit from this classification.

Transportation Management Area (TMA) MPOs, such as AMATS, may select any federally funded project within the MPA *except* projects on the NHS. 23 USC 134(k)(5)(A). NHS projects within the MPA shall be selected for implementation by the State from the approved TIP. 23 USC 134(k)(5)(A). The State and AMATS each have a duty to cooperate in the development of the TIP through a continuing and comprehensive planning process. 23 USC 134(k)(2). The MPO's selection of all projects excluding NHS projects is done in cooperation with the State and, conversely, the State's selection of NHS projects within the MPA is done in cooperation with the MPO. Contrary to statements previously made by AMATS staff, the MPO does not have the authority to select or "deselect" NHS projects from the TIP.

Operating Agreement Updates

AMATS's assertion of authority to include or exclude from the TIP NHS projects located within the MPA has disrupted what was previously a cooperative highway planning process and is impeding the State's project delivery. To restore clarity regarding decision-making authority over NHS routes within the MPA, the State requires an update to the operating agreement to clarify and come to a common understanding of legal authorities and procedures for coordinated development of planning documents. Federal regulations mandate such an update when there is a substantial change in decision-making authority or responsibility. 23 CFR 450.310(j)(2). The State considers AMATS's continuing assertion of authority over NHS routes within the MPA to constitute a "substantial change," necessitating a process to establish and document the procedures governing these newly claimed authorities.

State and federal laws allow the Municipality of Anchorage to assume all or part of the authorities and responsibilities for the NHS routes located within the MPA. The attached index of authorities provides references to the laws and legal standards for the Municipality to assume responsibility for portions of the NHS or specific components of project development, delivery, or maintenance. DOT&PF can collaborate with the MPO and the Municipality to transfer such authorities and obligations or to relinquish, modify, or review NHS routes within the MPA. However, any such changes must be mutually agreed upon and formally documented to delineate responsibilities for specific transportation facilities and the corresponding planning processes.

Given recent challenges in project selection and planning, the Policy Committee may benefit from exploring ways to enhance regulatory clarity, project efficiency, and technical support. Federal law provides flexibility in structuring State-MPO coordination, allowing opportunities to refine processes for better alignment with state and federal requirements while maintaining regional transportation priorities. Clearly defining DOT&PF's role in technical planning and programming could improve coordination and long-term planning outcomes. If the Policy Committee sees value in strengthening technical partnerships, DOT&PF remains committed to offering expertise and support in a way that serves regional needs while respecting the Committee's autonomy.

Concerns Regarding AMATS's Boundary Expansion Proposal

Your January 22, 2025, letter specifically requested clarification on why AMATS's boundary expansion is linked to DOT&PF's request to revisit the operating agreement. The primary reason is that AMATS's proposed expansion includes areas that do not meet federal criteria for MPA expansion.

AMATS's proposal seeks to expand the boundary southward to include an additional mile of the Seward Highway and approximately 1.5 square miles of Chugach State Park. However, 23 CFR 450.312(a)(1) authorizes MPA expansion beyond the existing urbanized area in those areas "expected to become urbanized within a 20-year forecast period." Neither the Seward Highway nor Chugach State Park can reasonably be expected to urbanize within any forecast period. Similarly, AMATS's proposal includes adding 6.25 miles of the Glenn Highway, including the entire Eagle River Loop Road interchange—areas that also do not meet federal urbanization criteria. These segments of the highway system are NHS properties, exclusively managed and operated by DOT&PF.

Since the need to update the operating agreement arises from AMATS's assertion of decision-making authority over NHS facilities, DOT&PF cannot make a recommendation to the Governor on AMATS's proposed boundary expansion until there is a clear, shared understanding of jurisdiction over these facilities.

We also observed that many other areas in AMATS's boundary expansion proposal share common characteristics:

- They are located outside the designated urban area (with a few small exceptions).
- They include properties that cannot be urbanized in the future.
- They are managed and operated by non-municipal agencies (except for the Port of Alaska properties).

The largest portion of the expansion proposal covers Chugach State Park, followed by additional expansions over DOT&PF's NHS properties. The Department of Natural Resources (DNR) and its Division of Parks and Outdoor Recreation reported no prior knowledge of AMATS's expansion proposal. This is concerning, as the expansion would impact all access routes to Chugach State Park from the Anchorage Bowl.

Before DOT&PF can make a recommendation on AMATS's proposal, we require additional information on:

1. AMATS's coordination efforts with DNR.

2. Whether AMATS plans to include DNR representation on its committees (23 CFR 450.310(d)(1)(iii)).
3. DNR's stance on the proposed expansion.

Similarly, the proposal does not clarify coordination efforts with the Alaska Railroad Corporation and the Port of Alaska regarding the inclusion of their facilities in the MPA expansion. Further details on these discussions are also necessary before proceeding.

As part of this review, we also developed a GIS dataset documenting the AMATS boundary as it existed in 2010, the 2014 update, and the proposed 2024 boundary expansion. However, we found no documentation confirming the Governor's approval of the 2014 update. Therefore, we assume the current request for approval will also encompass the 2014 update to ensure compliance with federal and state laws and regulations.

The GIS boundary datasets are available at the following link:

<https://experience.arcgis.com/experience/0cfd6c2623b0426cbe83f9c48a020335/>

Next Steps

To move forward, we recommend a joint effort between AMATS and DOT&PF to:

1. Update the Operating Agreement to clarify legal authorities and ensure compliance.
2. Reevaluate AMATS's proposed boundary expansion in coordination with relevant agencies and with consideration of appropriate authorities.

As the Chair of the AMATS Policy Committee, I'm asking you to lead this effort and prioritize its timely completion. As we work towards the December 29, 2026 MPA expansion deadline, we look forward to continued collaboration to improve communication and coordination in this critical transportation planning process.

Sincerely,



Ryan Anderson, P.E.

Attachments: As Stated

CC Aaron Jongenelen, Executive Director, AMATS
 James Starzek, AMATS Transportation Planner / Coordinator
 Graham Downey, Policy Committee Member
 Jason Olds, Policy Committee Member
 Mark Littlefield, Policy Committee Member
 Daniel Volland, Policy Committee Member
 Meg Zaletel, Policy Committee Member

INDEX OF AUTHORITIES REGARDING NHS FACILITIES WITHIN MPAs

Under State law, the State of Alaska is mandated to maintain full responsibility and authority over the State highway system. The State of Alaska, through DOT&PF, is similarly obligated to plan, construct, and maintain the network of highways linking the cities and communities in the various regions of the State. The highway system linking the various regions of State of Alaska has been designated as part of the National Highway System.

1. State must construct and maintain state highway system – [AS 19.10.030](#)
2. DOT&PF obligated to plan construct and maintain the regional NHS – [AS 19.05.125](#)
3. Alaska’s regional routes have been designated part of NHS – [23 USC 103\(b\)](#) and [Maps](#)

State and Federal laws and regulations mandate a collaborative approach to transportation planning within metropolitan areas. However, these laws and regulations do not grant a Metropolitan Planning Organization power or authority to veto or “de-select” the State’s selected NHS projects that are located within a municipal planning area; nor do these laws and regulations grant the State the power to veto or “de-select” the MPO’s non-NHS projects located within the municipal planning area.

4. MPO selects non-NHS projects in the MPA – [23 USC 134\(k\)\(5\)\(A\)](#)
5. State selects NHS projects in the MPA – [23 USC 134\(k\)\(5\)\(B\)](#)
6. TIP shall contain “All regionally significant projects” – [23 CFR 450.326\(f\)](#)
7. STIP shall contain “All regionally significant projects” – [23 CFR 450.218\(h\)](#)
8. The State’s NHS projects are “regionally significant projects” – [23 CFR 450.104](#)

Re-designation of a MPO, including updates to its operating agreement, is required when there is a substantial change in decision-making authority or responsibility. The MPO’s assertion of selection or “de-selection” authority over NHS projects located in the MPA is a substantial change in decision-making authority. The extent of the MPO’s new change in decision-making authority or responsibility over NHS projects or routes, and the procedures to implement any new authority and responsibility must be documented in writing.

9. Operating agreement must be amended with substantial change in decision-making authority – [23 CFR 450.310\(j\)](#)
10. Periodic review of operating agreement required – [23 CFR 450.314\(b\)](#)
11. Division of responsibility over NHS projects located in the MPA must be in writing – [23 CFR 450.314\(a\)](#)

State law authorizes DOT&PF to delegate planning authority over NHS projects located in the MPA, and Federal law even authorizes the State to propose modifications of the NHS, although both actions must be done by cooperative agreement between the MPO and the State.

12. Municipality may request planning authority for NHS corridors within the MPA—
[AS 19.20.015](#)
13. State can delegate NHS planning authority to municipality — [AS 19.15.030](#).
14. State can propose any modification to the NHS, in cooperation with local and regional officials. [23 USC 103\(b\)\(3\)](#).

The MPO's metropolitan transportation plan, from which it selects its projects for inclusion into the TIP, is required to include "major roadways" and smaller transportation facilities to function as an integrated metropolitan transportation system. State and Federal laws and regulations do not contemplate NHS projects, and similar corridor projects that connect rural and urban areas, as the type of transportation facilities for which the MPOs have primary decision making responsibilities.

15. MPO's MTP identifies facilities that function as an integrated metro system that serves regional transportation functions. [23 USC 134\(j\)\(2\)\(A\)](#):
16. MPO's MTP shall include facilities that function as an integrated metro system that serves regional transportation functions. [23 CFR 450.324\(f\)](#):
17. Municipality shall ensure proper integration of State highway connections in municipal highway plan — [AS 19.20.080](#)

1. [AS 19.10.030](#). The department is responsible for the construction and maintenance of the state highway system. [\(Return\)](#)
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2. [AS 19.05.125](#). The purpose of AS 19.05 - AS 19.25 is to establish a highway **department capable of carrying out a highway planning, construction, and maintenance program that will provide** a common defense to the United States and the state, **a network of highways linking together cities and communities throughout the state** (thereby contributing to the development of commerce and industry in the state, and aiding the extraction and utilization of its resources), and otherwise improve the economic and general welfare of the people of the state. [\(Return\)](#)
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3. [23 USC 103\(b\)](#) National Highway System.-(1) Description.-The National Highway System consists of the highway routes and connections to transportation facilities that shall-(A) serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations; (B) meet national defense requirements; and (C) serve interstate and interregional travel and commerce.[\(Return\)](#)
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4. [23 USC 134\(k\)\(5\)](#) "Selection of Projects. (A) In general.-**All Federally funded projects** carried out within the boundaries of a metropolitan planning area serving a transportation management area under this title **(excluding projects carried out on the National Highway System)** or under chapter 53 of title 49 **shall be selected for implementation from the approved TIP by the metropolitan planning organization** designated for the area in consultation with the State and any affected public transportation operator." [\(Return\)](#)
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5. [23 USC 134\(k\)\(5\)\(B\)](#): "**National Highway System projects**.--Projects carried out within the boundaries of a metropolitan planning area serving a transportation management area on the National Highway System **shall be selected for implementation from the approved TIP by the State** in cooperation with the metropolitan planning organization designated for the area." [\(Return\)](#)
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6. [23 CFR 450.326\(f\)](#) "**The TIP shall contain all regionally significant projects** requiring an action by the FHWA or the FTA whether or not the projects are to be funded under title 23 U.S.C. Chapters 1 and 2 or title 49 U.S.C. Chapter 53 (e.g., addition of an interchange to the Interstate System with State, local, and/or private funds and congressionally designated projects not funded under 23 U.S.C. or 49 U.S.C. Chapter

53). For public information and conformity purposes, the TIP shall include all regionally significant projects proposed to be funded with Federal funds other than those administered by the FHWA or the FTA, as well as all regionally significant projects to be funded with non- Federal funds.” [\(Return\)](#)

7. [23 CFR 450.218\(h\)](#): “**The STIP shall contain all regionally significant projects** requiring an action by the FHWA or the FTA whether or not the projects are to be funded with 23 U.S.C. Chapters 1 and 2 or title 49 U.S.C. Chapter 53 funds (e.g., addition of an interchange to the Interstate System with State, local, and/or private funds, and congressionally designated projects not funded under title 23 U.S.C. or title 49 U.S.C. Chapter 53). For informational and conformity purposes, the STIP shall include (if appropriate and included in any TIPs) all regionally significant projects proposed to be funded with Federal funds other than those administered by the FHWA or the FTA, as well as all regionally significant projects to be funded with non-Federal funds.” [\(Return\)](#)
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8. [23 CFR 450.104](#): “**Regionally significant project means a transportation project** (other than projects that may be grouped in the TIP and/or STIP or exempt projects as defined in EPA's transportation conformity regulations ([40 CFR part 93, subpart A](#))) **that is on a facility that serves regional transportation needs** (such as access to and from the area outside the region; major activity centers in the region; major planned developments such as new retail malls, sports complexes, or employment centers; or transportation terminals) and would normally be included in the modeling of the metropolitan area's transportation network. At a minimum, this includes all principal arterial highways and all fixed guideway transit facilities that offer an alternative to regional highway travel.” [\(Return\)](#)
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9. [23 CFR 450.310\(j\)](#): “**Redesignation of an MPO** (in accordance with the provisions of this section) **is required** whenever the existing MPO proposes to make: ... (2) A substantial change in the decisionmaking authority or responsibility of the MPO, or in decisionmaking procedures established under MPO by-laws.” [\(Return\)](#)
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10. [23 CFR 450.314\(b\)](#): “The MPO, the State(s), and the providers of public transportation should periodically review and update the agreement, as appropriate, to reflect effective changes.” [\(Return\)](#)
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11. [23 CFR 450.314\(a\)](#). The MPO, the State(s), and the providers of public transportation **shall cooperatively determine their mutual responsibilities** in carrying out the metropolitan transportation planning process. These responsibilities shall be **clearly identified in written agreements** among the MPO, the State(s), and the providers of public transportation serving the MPA. [...] [\(Return\)](#)

12. [AS 19.20.015](#). Local control of state transportation corridors. **(a) A municipality, by resolution of its governing body, may request of the department the assumption of the department's responsibilities relating to planning of transportation corridors that are to be located within the boundaries or operating area of the municipality.** ... The parties may by mutual agreement provide for joint or cooperative assumption of responsibilities by the department and the municipality. [\(Return\)](#)
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13. [AS 19.15.030](#). Participation by municipality in federal highway construction. When a federal-aid highway is routed through a municipality, it may participate in the financing, planning, construction, acquisition of right-of-way, and maintenance of the highway **in the manner and proportion the department determines is reasonable and proper.** [\(Return\)](#)
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14. [23 USC 103\(b\)\(3\)](#). Modifications to NHS.—(A)In general.—The Secretary may make any modification to the National Highway System, including any modification consisting of a connector to a major intermodal terminal or the withdrawal of a road from that system, that is proposed by a State if the Secretary determines that the modification—
- (i) meets the criteria established for the National Highway System under this title after the date of enactment of the MAP–21; and
 - (ii) (I) enhances the national transportation characteristics of the National Highway System; or
 - (II) in the case of the withdrawal of a road, is reasonable and appropriate.
- (B) Cooperation.—(i) In general.— In proposing a modification under this paragraph, a State shall cooperate with local and regional officials. (ii) Urbanized areas.— In an urbanized area, the local officials shall act through the metropolitan planning organization designated for the area under section 134. [\(Return\)](#)

15. [23 USC 134\(j\)\(2\)\(A\)](#) “Identification of transportation facilities [for the MTP].- (i) In general.-An identification of **transportation facilities** (including major roadways, public transportation facilities, intercity bus facilities, multimodal and intermodal facilities, nonmotorized transportation facilities, and intermodal connectors) **that should function as an integrated metropolitan transportation system**, giving emphasis to those facilities that serve important national and regional transportation functions.” [\(Return\)](#)

16. [23 CFR 450.324\(f\)](#): “**The metropolitan transportation plan shall, at a minimum, include:** ... (2) Existing and proposed **transportation facilities** (including major roadways, public transportation facilities, intercity bus facilities, multimodal and intermodal facilities, nonmotorized transportation facilities (e.g., pedestrian walkways and bicycle facilities), and intermodal connectors) **that should function as an integrated metropolitan transportation system**, giving emphasis to those facilities that serve important national and regional transportation functions over the period of the transportation plan.” [\(Return\)](#)
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17. [AS 19.20.080](#). A municipality of over 5,000 population, according to the latest available census, together with the department, shall develop and adopt a master highway plan, which **shall insure the proper location and integration of the Alaska highway connections in the municipality**. In selecting and designating the master highway plan, they shall take into account the important principal streets that connect residential areas with business areas and the streets that carry important rural traffic into and across the municipality, in order to ensure a system of highways upon which traffic can be controlled and protected in a manner to provide safe and efficient movement of traffic in the municipality. [\(Return\)](#)

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