

House Transportation Committee

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Katherine Keith, PMP, PMI-ACP Deputy Commissioner

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and Administration

FFY2026 Match and STIP Updates

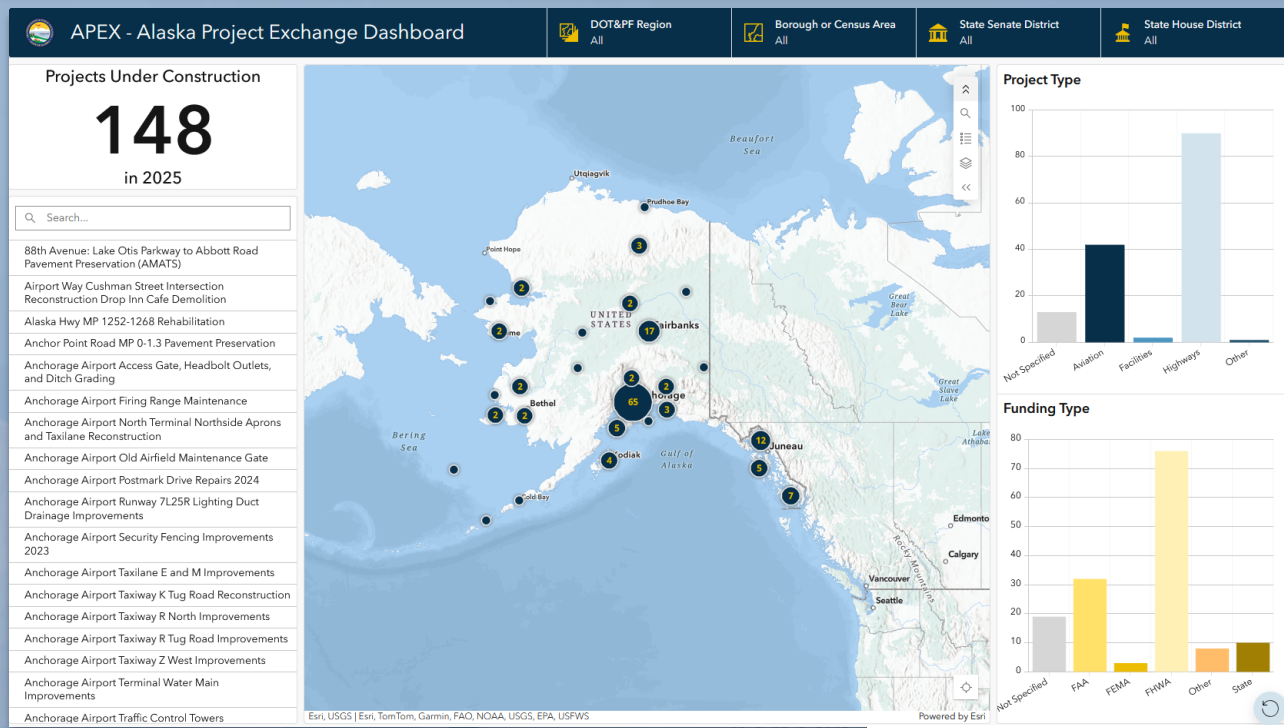
January 27, 2026



KEEP ALASKA MOVING

FFY2025 Project Delivery Program Review

Construction Activity and Goals



Focused Infrastructure Areas

- Bridges
- Pavement
- New roads and realignments

Tentative Advertise List:

<https://dot.alaska.gov/procurement/awp/tas.html>

Current Bid Calendar:

<https://dot.alaska.gov/procurement/awp/bids.html>

Contract Award Status:

<https://dot.alaska.gov/procurement/awp/cas.html>

Project Delivery Fiscal Year Trends and FFY2025 Projections

Fiscal Year	Contract Awards (\$m)	Contractor Payments (\$m)	FHWA Obligations (\$m)	FAA Obligations (\$m)	Disc. Grant Obligations (\$m)
FFY2022	\$815.2	\$894.4	\$812.2	\$256.0	
FFY2023	\$736.7	\$1,022.0	\$792.8	\$229.3	
FFY2024	\$630.6	\$1,144.7	\$662.8	\$244.8	
FFY2025	\$935.0	\$885.7	\$900.0+ **	\$235.8	\$564.9M
Projected*					

* All projected values are contingent on federal appropriations and may be adjusted based on Congressional funding decisions, particularly while operating under a Continuing Resolution (CR), which may affect the timing and distribution of federal allocations. Projected numbers are also contingent on project delivery timelines.

** Obligation totals include August Redistribution, with preliminary estimates exceeding \$120 million for FFY2025. Advance Construction (AC) agreements, an essential financial tool allowing project acceleration, are not considered obligations. However, repayment of AC does constitute an obligation, thereby impacting fiscal projections.

FFY2025 Project Delivery Program Review

Contract Awards

Contract Awards FFY2025: \$897,230,167

Regional:

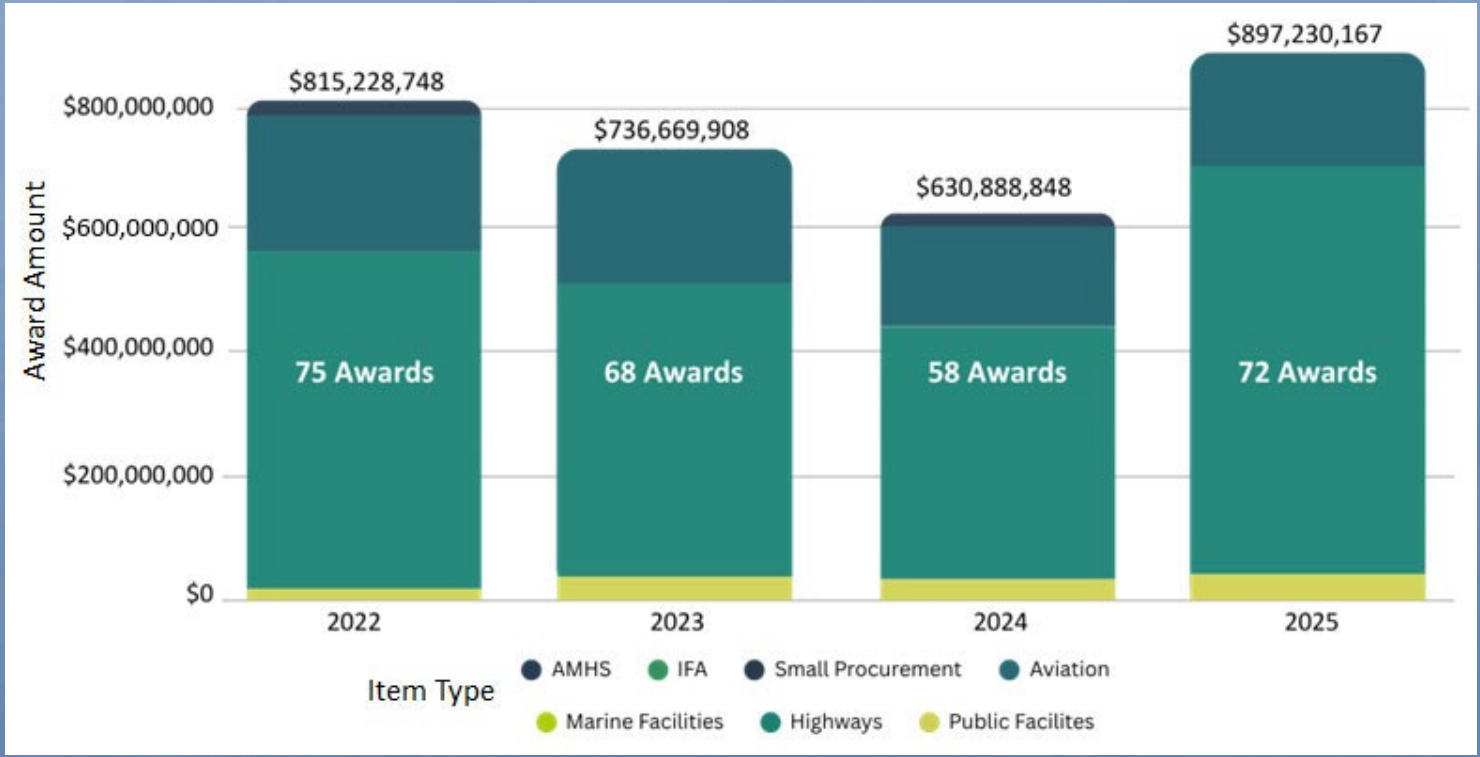
Northern
\$369,082,182

Central
\$365,101,097

Southcoast
\$163,046,888

All Awards by Type (FFY)

(Including Sterling Highway MP 45-60 Sunrise to Skilak Lake Rd Reconstruction Stage 1B CM/GC, 10/2/2025)

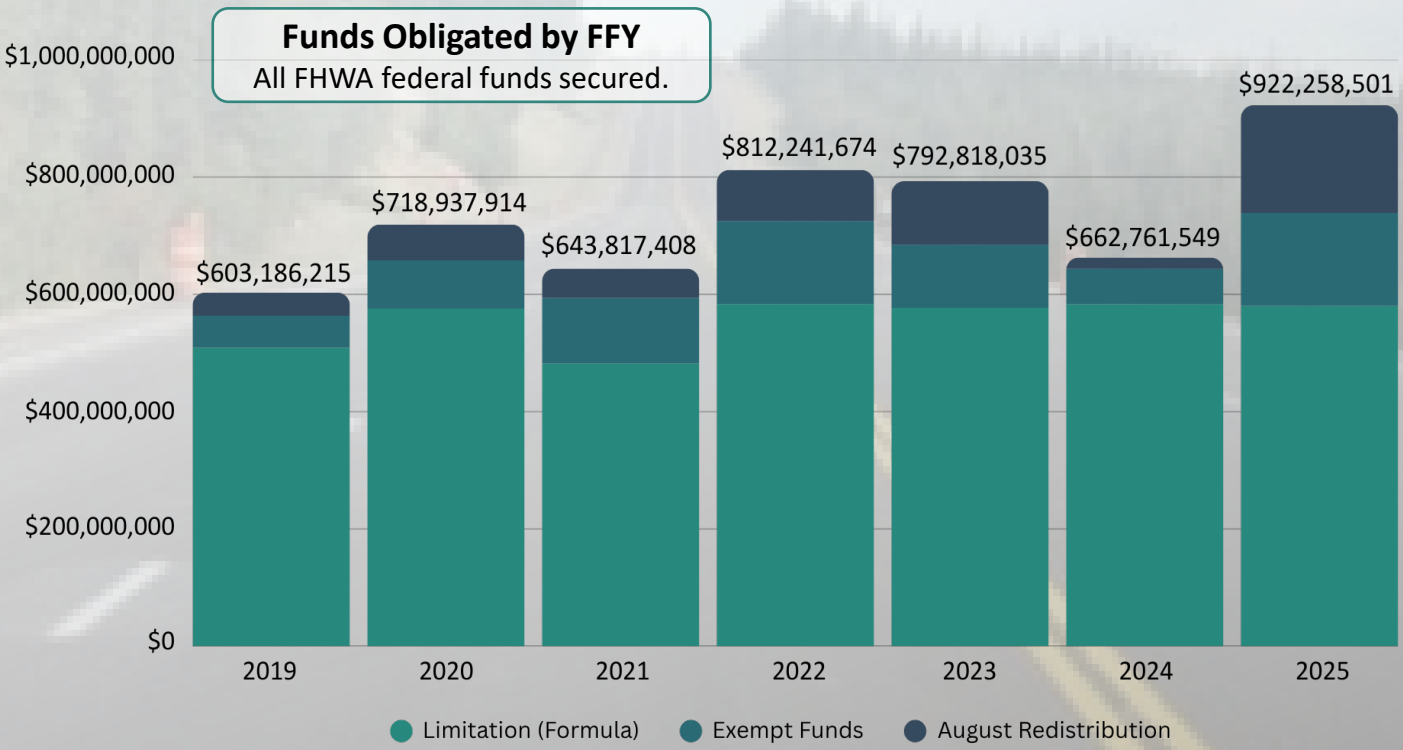


FFY2025 Project Delivery Program Review

Obligations and Grants – Highways

FHWA Funds Obligated in FFY2025: \$922,258,501

FFY25 marks the highest level of federal highway funds ever delivered in Alaska DOT&PF history



Our team successfully obligated 100% of available formula funds — plus an additional \$183 million through August redistribution.

Our performance reflects excellent collaboration with FHWA Alaska Division and project readiness across all regions.



FFY2025 Project Delivery Program Review

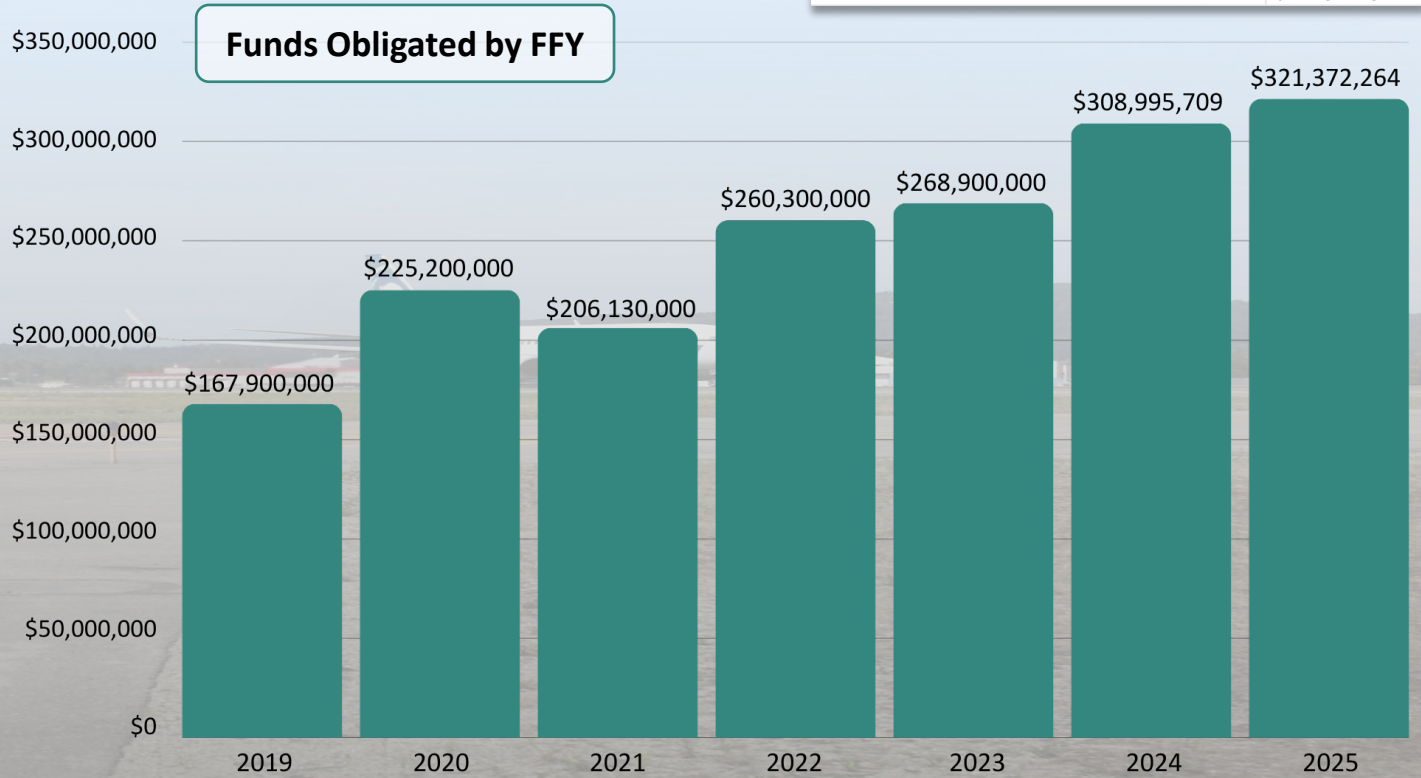
Obligations and Grants – Airports

Airport Grants: \$321.4 Million Secured in FFY2025

FAA Airport Improvement Program (AIP) and Bipartisan Infrastructure Law (BIL) funds continue to increase, supporting safety, access, and economic opportunity statewide.

Our performance reflects excellent collaboration with FHWA Alaska Division and project readiness across all regions.

SRE & ARFF Equip.	\$22,035,614
Safety & Stds. Improvements	\$41,691,958
Terminal & Bldgs	\$50,009,019
Airfield Ltg. & Vis Aids	\$12,841,139
Surface Perserv. Maint.	\$4,000,535
Airfield Rehabilitation & Reconstruction	\$182,055,293
Planning	\$3,512,659
Other (Fencing, Signage)	\$5,226,047
	\$321,372,264

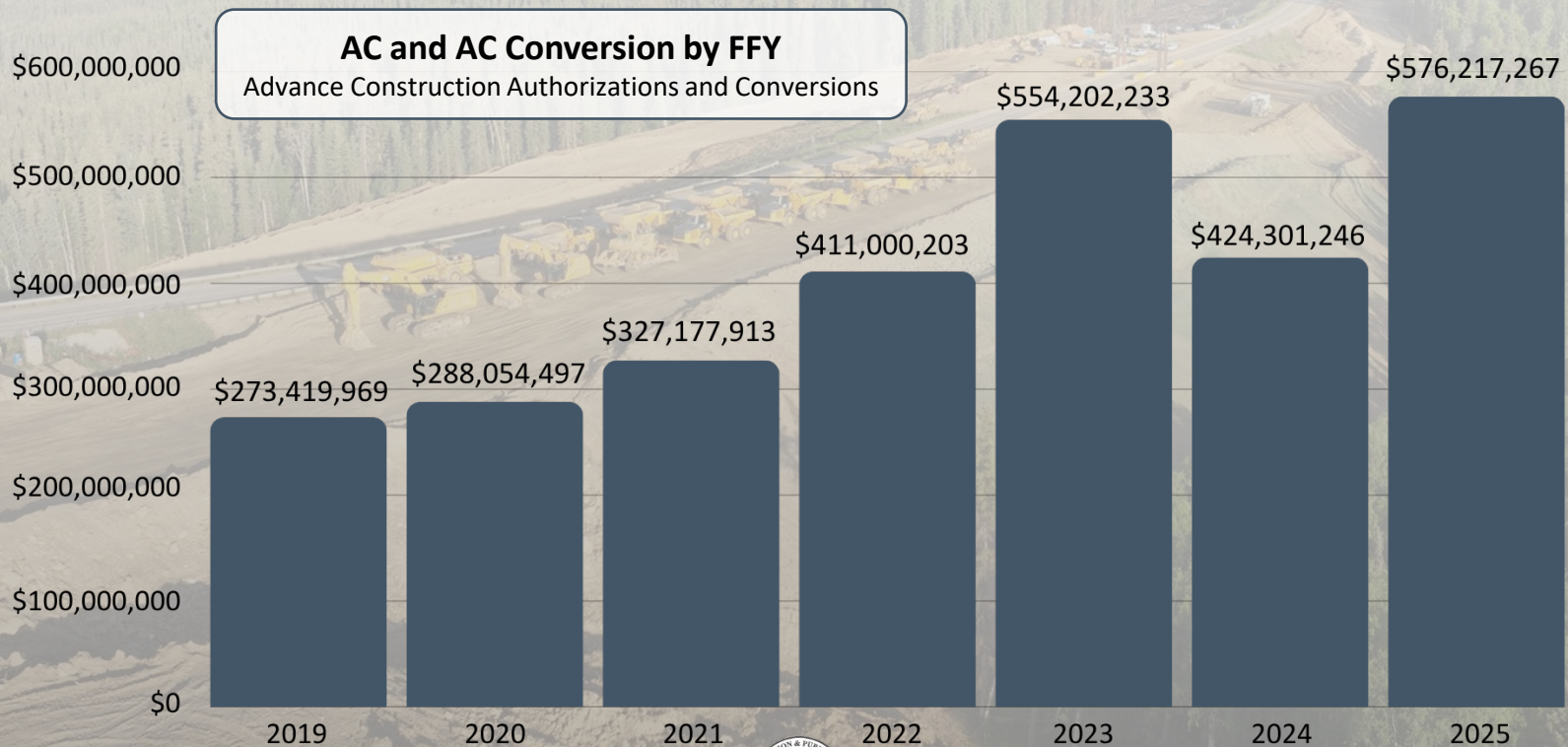


FFY2025 Project Delivery Program Review

Advance Construction

Advance Construction (AC): A Tool for Project Delivery

- Allows DOT&PF to begin projects under this authority and convert to federal funds later
- Ensures continuous project delivery even when federal obligation limits are reached
- FFY2025 balance: \$576 million, reflecting a strong project pipeline
- Balance managed carefully to align with federal reimbursements and construction schedules

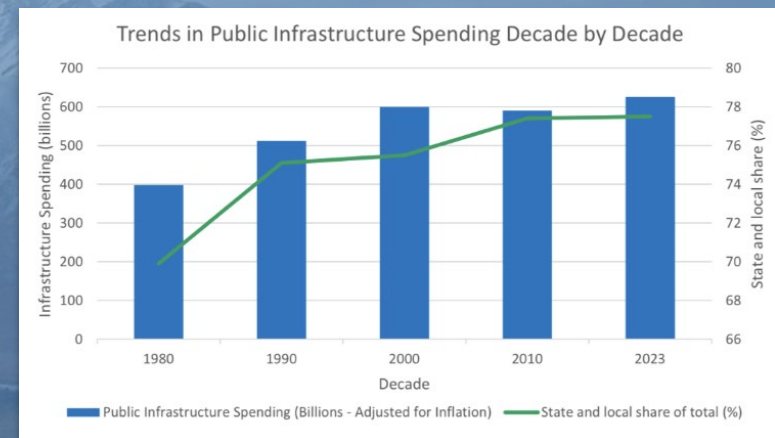
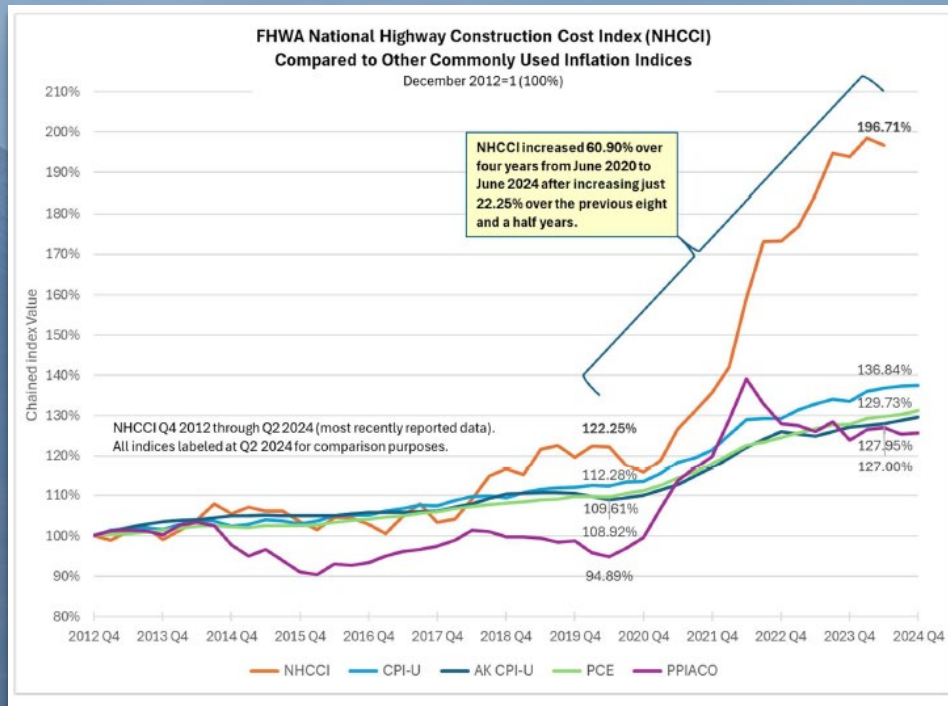


FFY2026 Construction Pipeline

Challenges and Focus

FFY2026 Project Delivery — Forecast and Outlook

- Inflation-adjusted program to maintain buying power
- Strategic use of Advance Construction to sustain delivery
- Continuous review of project timelines and readiness
- Shelf-ready projects to capture federal opportunities
- Focused on steady delivery despite rising construction costs



Eno Center for Transportation, 2025



FFY2026 Construction Pipeline

Forecasted Contract Awards

Program Outlook

- 91 projects planned for advertisement — \$670M–\$1.1B total value
- 60 highway, 19 airport, and 8 other infrastructure projects
- 24 additional shovel-ready projects valued at \$200–\$314M ready for advancement

Current Listing Summary

[Download this Data >](#)

This dashboard displays data on construction projects that are tentatively planned to be advertise in the next 12 months.

Number of Projects on List

91

Value Low

\$670,100,000

Value High

\$1,098,500,000

No Changes Since:

9/29/2025 1:15pm

Highway Projects

60

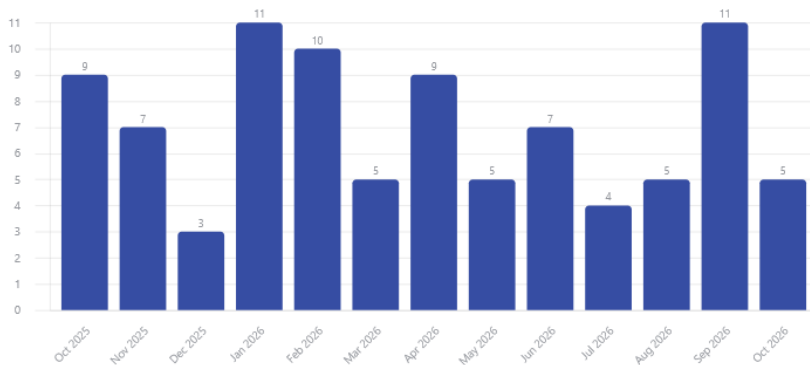
Airport

19

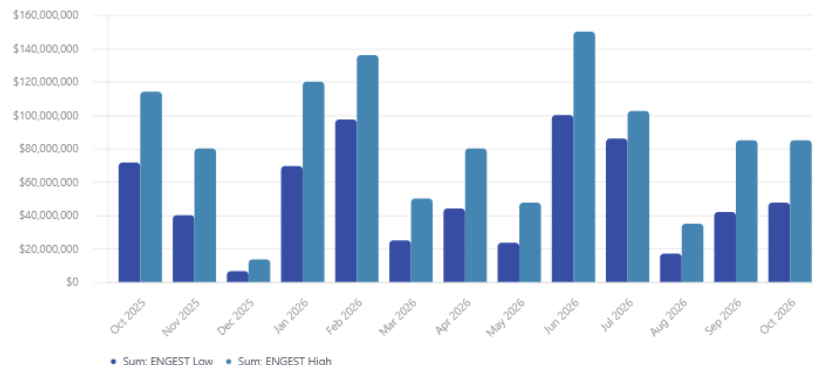
Other

8

Total Projects by Month



Engineers Estimate Low/High by Month



Shovel Ready Projects

Projects shovel ready in the next year but not on the Advertise List primarily due to funding, or other reasons.

Project Count

24

Value Low

\$200,700,000

Value High

\$314,000,000

Capital Major Program Expenditures

Federal Fiscal Year

FFY2023		FFY2024		FFY2025	
Major Program	Expenditures	Major Program	Expenditures	Major Program	Expenditures
AMHS	\$ 18,322,641.06	AMHS	\$ 12,919,148	AMHS	\$ 24,675,767
DRER	\$ 45,137,507.66	DRER	\$ 10,230,479	DRER	\$ 16,606,360
FAPT	\$ 223,655,582.45	FAPT	\$ 315,815,311	FAPT	\$ 296,159,752
FHWY	\$ 631,573,500.53	FHWY	\$ 695,596,565	FHWY	\$ 597,115,342
GRNT	\$ 25,598,714.81	GRNT	\$ 21,113,000	GRNT	\$ 26,089,553
HARB	\$ 2,807,004.93	HARB	\$ 3,511,870	HARB	\$ 9,954,607
PFAC	\$ 1,679,996.76	PFAC	\$ 3,594,241	PFAC	\$ 9,354,317
PLRS	\$ 36,059.97	PLRS	\$ 17,956	PLRS	\$ 17,956
RMBS	\$ 2,591,694.78	RMBS	\$ 1,282,973	RMBS	\$ 6,798,364
SAPT	\$ 12,338,137.79	SAPT	\$ 21,046,493	SAPT	\$ 10,822,939
SHWY	\$ 58,242,945.47	SHWY	\$ 59,522,927	SHWY	\$ 55,588,368
Grand Total	\$ 1,021,983,786.21	Grand Total	\$ 1,144,650,962	FTAG	\$ 12,775,793
				XMPT	\$ 31,232,055
				Grand Total	\$ 1,097,191,174

Payments made to contractors & vendors by Major Program

FFY2026 Fiscal Outlook

Surface & Air Transportation

Federal Programs Total Combined Investment: ~\$1.98B

Surface Transportation (STIP Amendment 2)

- **Total Revenue (FFY26): \$1.71B**
 - FHWA Formula Programs: \$966M
 - Federal Transit Administration: \$160M
 - Federal Transit Discretionary: \$171M
 - Advance Construction (State-Funded): \$285M
 - Other Federal/Discretionary: \$49M
 - State Match: \$76M
- **Programmed Obligations: \$1.45B**
- **Program Highlights**
 - NHPP: \$363M – Core preservation & modernization
 - STBG: \$194M – Local access & connectivity
 - Bridge Programs: \$80M – State and off-system
 - HSIP, Carbon Reduction, CMAQ: \$94M
 - Discretionary/Competitive Grants: \$68M

Air Transportation (FAA AIP & BIL)

Estimated Federal Funding (FFY26): ~\$272M

Airport Improvement Program (Apportionment, Entitlements, and Discretionary): ~\$177M
BIL Infrastructure Grants: ~\$95M

Program Focus

Alaska International Airport System (Anchorage / Fairbanks)
Rural Airports (235 total count)

Focus on

- Airfield rehabilitation, pavement & lighting
- Safety & compliance upgrades
- Rural airport access & maintenance support



FFY2026 Project Delivery

State Match Projections

SFY2026 CAPITAL – State Match Summary					
Category	Governor Proposed	Enacted Budget	Funding Source	% Change	Allocation Reduction
Total Capital	\$115,971,056	\$45,816,078	UGF	-60.5%	-\$70,154,978
STP (Surface Transportation Program)	\$90,125,981	\$31,849,826	UGF	-64.7%	-\$58,276,155
AIP (Airport Improvement Program)	\$23,773,636	\$13,966,252	UGF	-41.3%	-\$9,807,384
Other	\$1,611,548	\$0	AIDEA	-100.0%	-\$1,611,548
Safety	\$59,891	\$0	AIDEA	-100.0%	-\$59,891
FTA (Transit)	\$400,000	\$0	AIDEA	-100.0%	-\$400,000

Current Status

- \$70M state match shortfall following FY25 legislative actions and vetoed reappropriations
- DOT&PF adjusted STIP—~25 projects deferred one to three years to remain within available match
- Continuing delivery through carryforward match and Advance Construction authority

Program Implications

- DOT&PF can still obligate the program in FFY26 by paying down Advanced Construction balances.
- Without new match, fewer projects will move to contract award, limiting construction activity
- Deferred work includes major rehabilitation and safety projects statewide

When Does Match Run Out?

- Timing depends on bid schedules and obligation pace
- Match balances sustain early FY26, but a fix is needed to maintain momentum



FFY2026 Match

History

Last year a mix of reappropriations were used to fund our match.

The reappropriations were from a mix of active projects and appropriations already factored into our project delivery plan and STIP.

Because the way the match was funded was not feasible, the final amount of Match was ultimately reduced through vetoes.

Subsequently, our STIP and Project Delivery Plan was adjusted to reflect the reduction in match.



FFY2026 Match

Impact

Lack of match jeopardizes new construction, creates a risk to maximizing August Redistribution, forces the State to capture the minimum amount of federal dollars to avoid lapses by directing the funds to old AC balances.

CAPITAL - State Match							
	FY2026 Proposed			Final Amounts			Reductions
Capital	\$115,971,056		UGF	\$45,816,078		-60.5%	-\$70,154,978
STP	\$90,125,981		UGF	\$31,849,826		-64.7%	-\$58,276,155
AIP	\$23,773,636		UGF	\$13,966,252		-41.3%	-\$9,807,384
Other	\$1,611,548		AIDEA	\$0		-100.0%	-\$1,611,548
Safety	\$59,891		AIDEA	\$0		-100.0%	-\$59,891
FTA	\$400,000		AIDEA	\$0		-100.0%	-\$400,000



FFY 2026 Match

The Fix

\$69,695,087

With about two thirds of the Federal Fiscal Year remaining we can correct the match deficiency and restore the trajectory desired by the public.

The following supplemental appropriations would allow the State to advance more new projects sooner:

Allocations	
Federal-Aid Highway State Match	\$58,276,155
Federal-Aid Aviation State Match	\$9,807,384
Other Federal Program Match	\$1,611,548



Alaska Statewide Transportation Improvement Plan (STIP)

2026 and the Rolling STIP

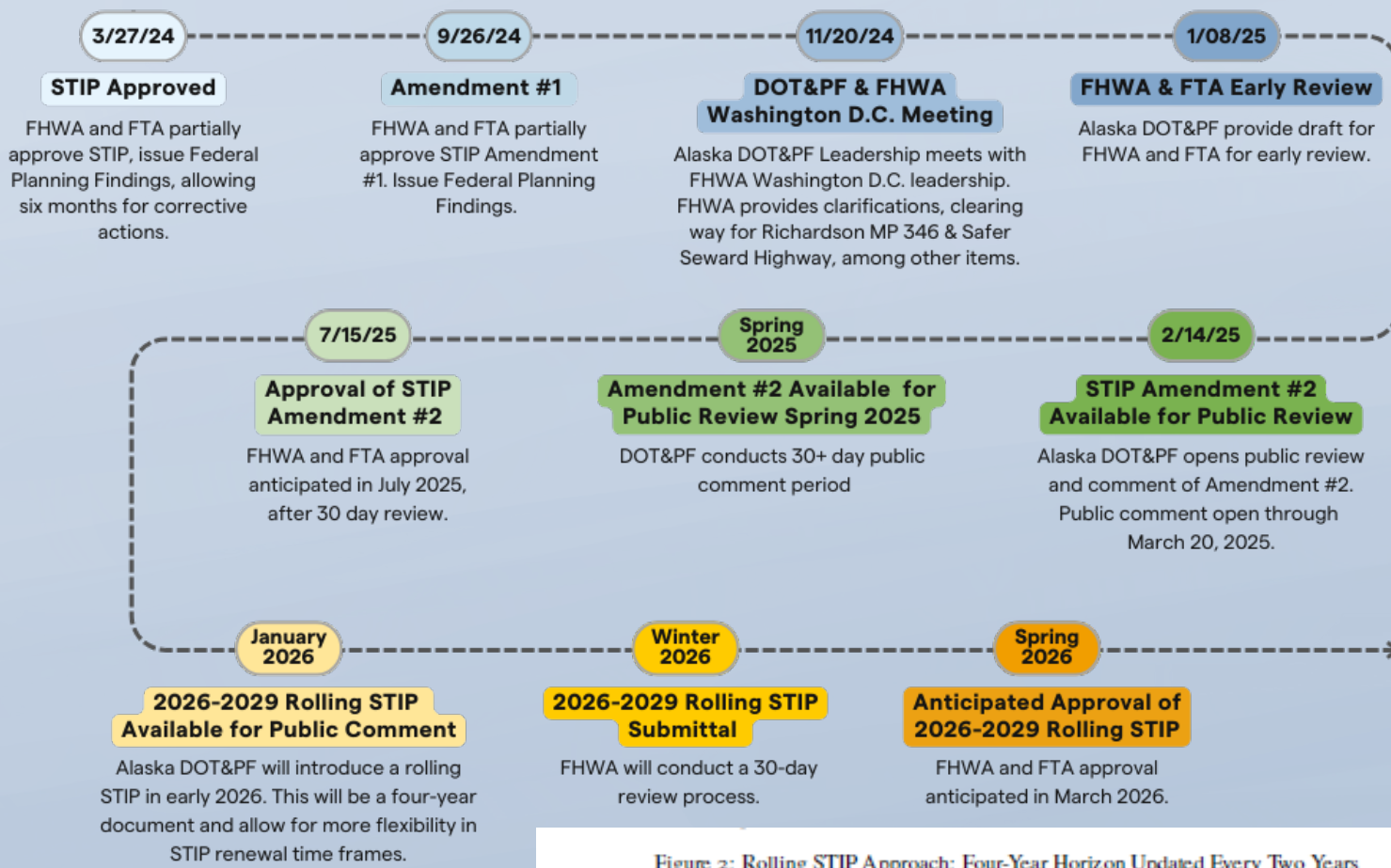


Figure 2: Rolling STIP Approach: Four-Year Horizon Updated Every Two Years



Alaska Statewide Transportation Improvement Plan

STIP Process

DOT&PF develops a new STIP in accordance with state and federal requirements. Development begins with an assessment of existing projects, review of statewide transportation needs, anticipated federal and state funding levels, and adopted transportation plans at the statewide, metropolitan, regional, and tribal levels.

As part of STIP development, DOT&PF:

- Updates project scopes, schedules, and cost estimates;
- Identifies candidate projects based on safety, preservation, access, and system needs;
- Evaluates project eligibility, readiness, and funding sources;
- Applies fiscal constraint using conservative funding assumptions; and
- Incorporates adopted Transportation Improvement Programs and other required planning products by reference, consistent with federal requirements.

Under the rolling STIP approach DOT&PF develops a new four-year STIP every two years. Each update:

- Extends the programming horizon forward;
- Incorporates updated cost and schedule information;
- Reflects changes in funding expectations; and
- Responds to evolving transportation needs and priorities.

Projects included in a prior STIP may be:

- carried forward;
- adjusted;
- Delayed; or
- removed based on updated readiness, funding availability, coordination outcomes, or policy direction.

This approach provides flexibility while preserving fiscal constraint and transparency.



Alaska Statewide Transportation Improvement Plan

FHWA 2024-2027 Amendment #2 Recommendations

FHWA Recommendations for the 2026-2029 STIP:

- **Simplify the STIP:** use plain English and clearer structure
- **Streamline amendments:** limit to true project changes
- **Clarify draft-to-final changes:** clearly show what changed after public review
- **Review project organization:** parent/child projects and logical groupings
- **Advance Construction & Toll Credits:** clarify use and documentation
- **Clarify STIP procedures:** new STIPs, amendments, administrative modifications, and MPO transmittals
- **Continuing, Cooperative, and Comprehensive (3C) planning:** clearly document DOT&PF procedures
- **Performance-based planning:** strengthen processes and performance targets



Alaska Statewide Transportation Improvement Plan (STIP)

Proposed New 2026-2029 STIP Layout

Layout of the New STIP Narrative:

- **Section 1 – What the STIP Is:**

Purpose, legal role, what it does (and does not do), and DOT&PF's responsibilities

- **Section 2 – How Projects Get Into the STIP:**

Evaluation, prioritization, readiness, and the four project selection pathways

- **Section 3 – Continuing, Cooperative, and Comprehensive (3C) Planning:**

How planning partners work together and how 3C requirements are applied in Alaska

- **Section 4 – How Transportation Funding Works:**

Plain-language explanation of funding sources, timing, phases, and constraints

- **Section 5 – Balancing Needs With Available Funding:**

Fiscal constraint, multi-year programming, advance construction, and maintaining balance over time

- **Section 6 – How the STIP Is Developed and Updated:**

Rolling STIP approach, amendments, administrative modifications, MPO coordination, and transparency

- **Section 7 – Public and Partner Involvement:**

Public engagement, legislative consultation, local governments, Tribes, and federal partners

- **Section 8 – Contacts and Next Steps:**

How to stay informed, provide input, and what happens after adoption

- **Appendices – Reference and Accountability:**

Definitions, funding codes, legal authorities, performance management, air quality, and detailed procedures

Table 2: STIP Supporting Volumes (Quick Reference)

Volume	Title	Contents (Plain Language)
Volume 1	Project & Program Details	Project and program listings, including individual project pages, program pages, and supporting details
Volume 2	Fiscal Constraint Demonstration	Fiscal constraint demonstration and funding tables, including expected revenues and programmed amounts
Volume 3	TIPs Incorporated by Reference	Incorporated TIPs and related planning documents, including MPO TIPs, TTIPs, and other required incorporated materials
Volume 4	Public Involvement Record	Public engagement summary, disposition of comments, and STIP change log
Volume 5	Project Selection & Prioritization	Project selection and prioritization procedures, scoring methodologies, and supporting documentation
Volume 6	Change Log and Digital Engagement Tools	Documents STIP revisions and provides guidance on accessing digital tools that display changes between adopted versions and amendments.



Alaska Statewide Transportation Improvement Plan

2026-2029 STIP & Fiscal Pressures

Project estimates greater than \$100 million, less than \$250 million

- Bogard Road Safety and Capacity Improvements
- Dalton Highway Milepost 0 to 9 Realignment
- Dalton Highway Milepost 109 to 144 Reconstruction
- Dalton Highway Milepost 305 to 335 Reconstruction
- Glenn Highway Rehabilitation: Airport Heights to Parks Highway
- Haines Highway Milepost 3 to 25 and Chilkat Bridge Reconstruction
- Klondike Highway Rehabilitation: Skagway River Bridge to Canadian Border
- Parks Highway Milepost 315 to 325 Reconstruction
- Seward Highway Milepost 25.5 to 37 Rehabilitation
- Sterling Highway Safety Corridor Improvements Milepost 82.5 to 94
- Sterling Highway Milepost 157 to 169 Rehabilitation
- West Susitna Access

Project estimates are greater than \$250 million

- Alaska Highway World War 2 Era Bridges
- Juneau Douglas North Crossing
- Ketchikan Viaducts
- Knik Arm Crossing
- Seward Highway Milepost 98.5 to 112 Safety Corridor
- Sterling Highway Milepost 45 to 60 [Cooper Landing Bypass]



Thank You.

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Cover photos by Alaska DOT&PF Staff:
Sunset departure, Anchorage International Airport. By Christopher Cummins
Alaska Range from the Richardson Highway. By Dennis Bishop
Aboard the MV LeConte sailing Lynn Canal to Juneau from Haines. By Andrea Deppner

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