

RECEIVED

MAR 26 2010



**Marine Transportation
Advisory Board**

Alaska Department of Transportation and Public Facilities
P.O. Box 112500 • Juneau, AK 99811-2500

March 19, 2010

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Marine Captain not affiliated
with AMHS

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Hoonah, Kake, Pelican and
Tenakee

Robert Venables
Haines
Northern Southeast

The Honorable Peggy Wilson
Alaska State Legislature
State Capitol, Room 406
Juneau, AK 99801-1182

Dear Representative Wilson:

The Marine Transportation Advisory Board (MTAB) would like to lend support to HB 329. This legislation would help improve the transportation infrastructure throughout the State of Alaska.

The MTAB is a citizen advisory board established by executive order in 2002 and put into statute in 2008. The board advises the administration on marine transportation issues, particularly those related to the Alaska Marine Highway.

HB 329, which establishes a transportation infrastructure fund for the State of Alaska, will help us move forward in developing our transportation needs in the face of shrinking federal dollars. We must continue to develop our transportation infrastructure if we want Alaska to grow and prosper. It is also important that the state maintains the infrastructure in place. We would encourage this legislation to include language that allows us to sustain our current infrastructure.

The MTAB is encouraged by the recent changes made to the legislation that allows for members of the public who represent various modes of transportation to be part of the fund advisory council. We hope that consideration will be given to an MTAB board member being a part of this advisory group to lend advice on marine transportation infrastructure.

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MAR 12 2010

Anton K. Johansen
1887 Arctic Loon Circle
Fairbanks, AK 99709
March 9, 2010

Representative Peggy Wilson
State Capitol, Room 406
Juneau, Alaska 99801-1182

Reference: House Bill No. 329

Dear Representative Wilson:

As a life long Alaskan whose exposure to Alaska's transportation system began as I accompanied my father on visits to Alaska Road Commission maintenance camps in the 1950's, I am a strong supporter of Alaska's transportation system. Today I am writing to you in support of House Bill No. 329.

To date Alaska has depended almost entirely on the generosity of the Federal government for its transportation infrastructure. The current Federal deficit and Alaska's surpluses demand that Alaskan's begin to assume a larger role in paying for their transportation system. House Bill No. 329 provides a funding mechanism that allows us to assume our responsibilities. This reliable funding stream enables the Department of Transportation and Public Facilities (DOT) to develop the long range plans necessary to plan, design and construct multi-year projects.

I do have two concerns with this legislation. The first concerns the distribution of the revenue. I believe that this money should be spent where the revenue is generated. Highway tax dollars should be spent on surface transportation. Aviation tax dollars spent on aviation and marine tax dollars spent on port and harbors. I realize that this leaves nothing for the Marine Highway System; however, this system already receives a generous level of funding in the operating budget. My second concern is with the make up of the Transportation Infrastructure Fund Advisory Council. The proposed council provides no continuity between elections. With one election all of these individuals could be replaced. I believe that a council of community leaders and transportation professionals whose appointment process and terms of service were similar to the University of Alaska Board of Regents could better serve the needs of the State.

Thank you very much for recognizing the need for this legislation and more importantly for acting to create the Transportation Infrastructure Fund. I applaud your efforts.

Sincerely,


Anton K. Johansen

Rebecca Rooney

From: Ellen.Green@CH2M.com
Sent: Tuesday, March 09, 2010 11:20 AM
To: Rep. Peggy Wilson
Subject: HB329

Representative Wilson,

I am emailing to offer input on the HB329 Transportation Infrastructure Fund. I am a believer in such funds as an additional source of revenue for our transportation infrastructure needs. This bill seems to be occurring at the same time questions arise about what to do with the state portion of our fuel taxes. I like the idea of keeping this relatively minor portion of our overall fuel cost and pointing these funds toward infrastructure. It seems to be a way to offset projected state revenue reductions from oil and expected reductions from national transportation funds. I think we should take care of ourselves to a higher extent (save a little face in the national arena) and a program of doing so should alleviate the annual challenges legislature faces - both in terms of funding and allocation and in terms of the workload you bear in a short 90 days. A dedicated fund would seem easier than the competition for general funds.

On another note, we have some major infrastructure shortcomings that cannot be met when the majority of funds of late go to a few mammoth projects. There are many areas statewide falling short when it comes to transportation needs and in Anchorage projects intended to solve multiple problems are being rescoped to answer only a part of the overall problem because of a lack of funding. As an engineer working primarily in the transportation field, I see projects dropped, rescoped, and deferred while a disproportionate amount of money goes to projects that baffle me.

Thank you for 'listening' to my opinion...and thanks for your service.

Ellen Green
8471 Foxlair Circle
Anchorage, AK 99507

907-240-2839

Rebecca Rooney

From: Sean Fitzpatrick [sfitzp@hotmail.com]
Sent: Monday, March 08, 2010 10:29 AM
To: Rep. Peggy Wilson
Cc: john@agcak.org
Subject: Transportation Fund

Rep. Wilson,

Please be aware of the substantial support for the transportation fund and the supporting legislation that is being heard today. This is critical to the health of the economy of Alaska and Alaskans.

Sean Fitzpatrick
KL Pacific Construction, Inc.
(907) 694-0300
(907) 694-0340 fax
(907) 632-9399 mobile

Rebecca Rooney

From: Miller, Mike [Mike.Miller@gcinc.com]
Sent: Tuesday, March 09, 2010 10:59 AM
To: Rep. Peggy Wilson; Rep. Craig Johnson; Rep. Kyle Johansen; Rep. Cathy Munoz; Rep. Tammie Wilson; Rep. Max Gruenberg; Rep. Pete Petersen
Subject: Support HB 329

Transportation Committee Representatives:

Please support HB 329 !!

- Alaska has become masters at spending someone else's money. Someone else (Congress) is waking up to that fact.
- Safety –LU expired last September 30th
- The Highway Trust Fund is down to Zero and with increased fuel economy, the price of fuel people everywhere are driving less, therefore paying fewer taxes into the Highway Trust Fund.
- The Permanent Fund looms large in Congress's thoughts. Our Donee status will be lost with the next Federal Transportation Bill

This bill will provide jobs to perform the work and pay economic dividends for years after.

Mike

Michael D. Miller
Business Development Manager
Granite Construction Company
Alaska Region
11471 Lang Street
Anchorage, AK 99515
907.344.2593
907.344.1562 fax
mike.miller@gcinc.com
907.229.7838 cell
907.267.5273 direct

Rebecca Rooney

From: Colleen.Soberay@CH2M.com
Sent: Tuesday, March 09, 2010 11:10 AM
To: Rep. Peggy Wilson
Cc: Rebecca Rooney
Subject: HB 329
Attachments: HB 329 March 9 Letter.pdf

Dear Representative Wilson,

My name is Colleen Soberay. My district is 26, M.

Though I don't reside in your district, I am writing to you as part of the legislative body that works on behalf of all of Alaska, to request support of HB 329. As you know, this Bill will allow for a new funding mechanism for statewide transportation needs. I believe HB 329 will augment funding needs while allowing the State better control of projects. Federal funds are needed, but also come with stringent requirements that significantly delay completion of projects.

Times have changed. Funding has changed. Needs and funding gaps continue to increase. Alaska prides itself on being doers and being an owner state. It is time Alaska gets creative and proactive with government funding initiatives. HB 329 represents proactive government.

I trust that the legislature will finalize this bill that provides details of the fund, control of the fund, and appropriations of the fund.

It is time to be forward thinking, providing for current needs while preparing for future needs. Alaska cannot continue on a path of not providing for its transportation infrastructure needs. A dedicated transportation fund would allow Alaskans to continue enjoying a tax free state, while allowing alternative and creative mechanisms to fund transportation infrastructure. Everyone knows federal transportation dollars for Alaska are on a path to decline.

Transportation investment has been studied and proven to be an economic driver. Consider that 81 percent of daily traffic in Alaska occurs on 37 percent of lane miles (source: FHWA, 2008 Highway Statistics). This 37 percent of roadway is made up of state roads – not just in Anchorage, but our highways – built by and maintained by Alaska DOT. This also represents significant economic flurry – workers traveling, deliveries made, products moved to and from local businesses. Studies have shown that transportation systems can hinder or help local economies. A transportation fund is not about DOT. It is about the big picture. It is about all of Alaska and its economy. It is about jobs and productivity well beyond DOT. DOT has 3,400 employees compared to 71,759 transportation industry jobs across Alaska.

Supporting HB 329 shows support well beyond an individual district. Please continue to support this Bill and work with your legislative team to gain broad support of an Alaska Transportation Infrastructure Fund.

I respectfully request that you support HB 329.

Sincerely,

Rebecca Rooney

From: Lance Mearig [lmeaig@uskh.com]
Sent: Tuesday, March 09, 2010 10:53 AM
Subject: Please support HB 329 creating the Alaska Transportation Infrastructure Fund

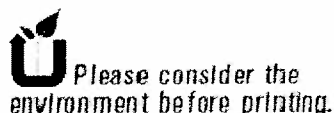
Honorable Members of the House Transportation Committee:

I encourage your support of this bill. I believe that it is imprudent for Alaska to continue relying heavily on the federal government for transportation infrastructure funding. Improving the infrastructure of this great state is critical to our continued development and the ability of private businesses like USKH Inc. to provide attractive, well-paying, highly technical jobs that will keep young Alaskans enthused about our future. Regards,

D. Lance Mearig, P.E.
Vice President



2515 A St.
Anchorage, AK 99503
t: 907.276.4245
f: 907.258.4653
www.uskh.com



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17950 E Purser Pl
Palmer, AK 99645
February 13, 2010

Representative Peggy Wilson
State Capitol Room 406
Juneau AK, 99801

Re: Department of Transportation and Public Facilities

Subject: Create a Transportation Commission to manage DOT/PF

Dear Representative Peggy Wilson:

I compliment you on your service to Alaskans. It was my honor to speak to you and other members of the House Transportation Committee as Regional Materials Engineer during lunch break when you toured the Central Region Material Lab, thank you for the card of thanks you sent to us, it was appreciated.

However at this time, I must offer my thoughts as an Alaskan after being informed of recent newspaper articles (Juneau Empire & Anchorage Daily News) that cite "lack of understanding", "lack of transparency", "least responsive", and "sovereign Nation of DOT" in regard to the DOT/PF's relationship of the Legislature.

I request as an Alaskan that you create **legislation that establishes a Transportation Commission** to govern DOT/PF and not by just the Governor's appointees. This as has been done with the Alaska Railroad and has worked very well. The Commission would be comprised of representatives of the Legislature, Governor's office, AGC, Truckers Association, etc. This would offer the following;

- **Stability of mission** of the department can maintained noting the Knowles administration was trying to condemn private property in Anchorage for bike trails and pave gravel roads, the Murkowski administration focused on fast ferries, 3 "bridges to no where" and a road out of Juneau, the Palin / Parnell administration is looking at using a hover craft for an airport shuttle at Akutan, fix the ruts, highway to highway bypass in Anchorage. The point is it seems that the Department's mission rapidly changes and it may or may not comply with the wishes of the Legislature. These changes ineffective use monies previously spent. A Transportation Commission with accomplish efficiency, legislative involvement, and provide the transparency desired.
- The **internal management** can be greatly improved within DOT/PF as exemplified by the Alaskan Railroad. The General Manager is a railroad professional answerable to the Board, the Alaska Railroad has not requested annual funding of the Legislature to the best of my knowledge. The internal management within DOT/PF was regionalized under Gov.

Hickel where each region accomplished their mission with minimal oversight from Juneau. Then Gov. Knowles centralized the Department's management it where all decisions were made in Juneau by Headquarters and all personnel functions were transferred to Dept of Admin. Then Gov. Murkowski changed DOT/PF management to be partial Headquarters and partial Regional. During the current administration, management has remained thus, but it is not how a viable business can operate efficiently.

- Then a **management team** could be built whereby authority could be delegated and accountability would be required of every supervisor in DOT/PF as in any business. I use myself, a Regional Materials Engineer as an example; under Gov. Hickel I could authorize travel for my staff to work on projects in our region, since the Knowles Administration centralized authority and up to the present, I cannot approve travel. Procurement authority is another example, the State Lab that I supervise has expenses are about \$1million annually, my purchasing authority level is \$2000, for a \$2001purchase I have to apply this for approval from the Admin Clerk of the Regional Preconstruction Engineer, the Preconstruction Engineer has authority for approval for procurement amounts higher than this. All functions at my level would be best managed by approval of annual or project budgets as the Legislature and business does. I worked 30 years in private industry as a project manager for construction companies and for Anchorage Sand & Gravel as operations manager, served in the Army during the Viet Nam war, and from this perspective I sadly state that I would never "run" DOT/PF as it currently operates. For this reason I am writing this letter to you requesting legislated organizational changes.
- A Transportation Commission could better address and interact with the **federal government on issues and regulations** such as;
 - a. DEC assessed environmental penalties to DOT projects and subsequent agreements that will be ongoing, the impact on project due to environmental rules which seem to interpreted differently within the DOT/PF and other agencies.
 - b. An integrated management structure could be accomplished of the required functions: Government Accounting Standards Board (GASB34) / Asset Management / Pavement Management / Maintenance Management (I recommend that you contact Kate Girard, Commissioner of RCA, 263-2110, kate.giard@alaska.gov, she handled the GASB34 effort for Anchorage very well). I have attached information on GASB34 for your information.
 - c. FHWA and FAA agency interaction and funding would be given a stable response from the DOT/PF as decisions would have continuum through successive administrations.
 - d. Would more effective interact with Alaska's Congressional delegation on transportation issues.

- A Transportation Commission would be more likely to be given dedicated revenues to manage such as the related taxes and other assets noted in GASB34.
- An **integrated information systems and technology system** could be implemented quickly under a transportation commission as opposed to the current dysfunctional interaction that exists within the Department i.e. Statewide and regional factions especially as Geographical Information Systems (GIS), Global Positioning Systems (GPS), and electronic document management systems. Gov. Parnell's budget has money for Information Systems and Technology for DOT/PF but it will not accomplish the above. Will Alaskans be better informed by this component of the Department's budget?

As an Alaskan, I would support dedicating funds to a Transportation Commission. I support responsible, transparent, efficient government.

Again thank you for your service and leadership,
Sincerely,
Newton Bingham

Rebecca Rooney

From: Sam Robert Brice [SamRobert@briceinc.com]
Sent: Monday, March 08, 2010 10:12 AM
To: Rep. Peggy Wilson
Cc: John MacKinnon
Subject: HB 329 Dedicated Transportation Fund - Support

Dear Representative Wilson:

I am writing as a strong supporter of HB 329 that would create a dedicated State Transportation Fund. I wrote the below article in the Fall of 2008 as AGC of Alaska outlining why I felt a dedicated State Transportation Fund was important to the State of Alaska. Please let me know if I can provide any further information.

Thank you,
Sam Robert Brice
Fairbanks, AK
907.978.3000

Our responsibility

By Sam Robert Brice

Investment in construction projects is a major driver of the Alaska economy. According to the 2008 Construction Spending Forecast compiled by the Institute of Social and Economic Research at the University of Alaska Anchorage, "Construction is the third largest industry in the state, pays the state's second highest wages, employs nearly 22,000 workers with a payroll over \$1 billion, accounts for 20 percent of Alaska's economy and currently contributes more than \$7 billion to the state's economy." These investments boost the economy while the construction is going on and provide economic benefits for years after.

But the majority of our highway, airport, harbor and rural infrastructure projects in Alaska rely solely on year-to-year budgets of federal funding programs and / or earmarks. We all know the black eye Alaska has received over the past few years for "the bridge to nowhere" and other infamous earmarks that led Congress to earmark reform. Alaska has one of the lowest state gas taxes in the nation and in the recent past has received more than \$6 for every \$1 paid into the highway trust fund from federal gas tax. We are one of a handful of states that does not have our own state funded transportation program. Combine this with our permanent fund savings account and the fact that residents are paid to live here, you can start to feel the ill-will headed our direction, spelling out reduced federal transportation funding for our state. We have a backlog of nearly \$400 million worth of infrastructure projects that have been designed and are sitting on the "shelf" awaiting funding.

Additionally, there are more than \$1 billion worth of projects along the Alaska, Richardson and Dalton Highway corridors alone in order to be prepared for the gas pipeline construction traffic loads. A recent article in the Anchorage Daily News titled "Infrastructure delays threaten pipeline, coordinator says...one thing that could kill the project is under the state's control – needed infrastructure upgrades, said Drue Pearce, who heads the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects."

It is precisely because of these facts that the top legislative priority for the AGC of Alaska is a State-Funded Transportation Program. Gov. Sarah Palin proposed a \$1 billion appropriation for a sustained transportation funding program that did not move forward last year, but she is still strongly in support of a State Transportation Program as per the Fall 2008 article in this magazine in which she wrote:

"My administration's proposal for a sustained transportation fund is the right idea at the right time. It would add a new, certain source of funding for needs we know will continue long into the future."

This fall, voters showed their support for Alaska transportation projects by overwhelmingly passing the \$315 million statewide general obligation bond issue. This is a step in the right direction.

Outside of Alaska, people don't understand the commitment the federal government made 50 years ago when Alaska was granted statehood. Alaska came into the Union without a transportation infrastructure system, but with great promise of natural resources and a strategic location. It was understood at that time the magnitude of investment that would be required to connect our great state. What better way for Alaska to show how important these continuing needs are than by paying a defined yearly portion of our way forward.

If indeed our infrastructure needs might be "the straw that breaks the camel's back" for the proposed gas pipeline, wouldn't a dedicated state-funded transportation program that could spur additional matching funds be worth the cost? The Obama administration's planned infrastructure investment package could be part of this opportunity and is an example of why time is of the essence for a state funding initiative.

Alaska is at a critical juncture in its history. We have the opportunity in front of us to by-pass the economic hardship much of our nation is feeling today and possibly help to lead our nation's recovery with the continued environmentally sound development of our vast resources. Our state slogan "North to the Future" has never been more appropriate than it is today after 50 years of statehood. It is up to us to ensure it remains so. A state funded transportation plan is a small initiative in the right direction for our future.



Bill Allen
City Manager

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March 9, 2010

The Honorable Peggy Wilson
Representative, District 2
State Capitol Room 406
Juneau AK, 99801
Via Fax: 907-465-3175

Re: Support for HB 329

Dear Representative Wilson:

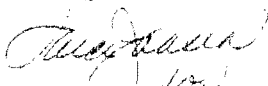
Please inform the House Transportation Committee of my support for HB 329, Alaska Transportation Infrastructure Fund, during today's hearing. In light of the diminishing level of funding we anticipate receiving from the Federal Highway Trust Fund, through this bill the Alaska Legislature can proactively develop a long-term transportation financing program.

The economic future of Alaska and its communities is highly dependent upon a quality, cost effective transportation system. Alaska's transportation system has fallen far behind the needs of Alaska for cost effective transportation which allows economic growth and the safe cost effective movement of people, goods and services.

Transportation investment has been studied and proven to be an economic driver. HB 329 is about jobs and productivity. This bill includes all modes of transportation thereby serving all of Alaska, including impact to transportation related industries. Additionally, local governments may apply for dollars through this Transportation Infrastructure Fund which will encourage local economic development and local participation in funding transportation projects.

I encourage the House Transportation Committee to act favorably on HB 329 to provide this important long-term financing tool for transportation infrastructure improvements to the state and all of its communities.

Best regards,


B.B. Allen

City of Palmer