



ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 SCHOON STREET, SUITE 100 • ANCHORAGE, ALASKA 99518
TELEPHONE (907) 561-5354 • FAX (907) 562-6118

March 17, 2014

Representative Peggy Wilson
Chair, House Transportation Committee
State Capitol Room 406
Juneau AK, 99801

RE: HB 371

Dear Representative Wilson,

Peggy

The Associated General Contractors of Alaska (AGC) is a trade association representing over 650 Alaskan businesses in the construction industry. I am writing to you in support of House Bill 371.

I had the honor of being a Deputy Commissioner of Transportation for Highways and Facilities from 2003 to 2008. During my tenure at DOT, one of the many things I worked on was to improve project delivery – these efforts included changes within DOT, at the state level and at the federal level.

At the federal level we worked to get the “reciprocal easements” in the SAFTEA-LU legislation, only to be stymied by a redundant DNR process and a 55-year lease restriction with DNR. This greatly hampered DOT’s ability to work with the Forest Service in these areas of mutual interest. These easements are vital to the transportation needs in Southeast Alaska.

At DOT, we often found that conflicting mission statements and regulations between state agencies was often one of the biggest and least necessary obstacles to get by in project development. It was not unusual to have the Governor’s office intercede in what appeared to be little more than a “sibling” dispute backed up by an overzealous interpretation of regulation or statute.

The time and expense in dealing with land and material transfers from one state agency (DNR) to another (DOT) is a good example. In remote locations where there are often no alternatives, the difficulty of permitting gravel sources on DNR lands adds unnecessary time and expense to projects. Contractors have to pay the state (DNR) for materials

from state owned gravel pits on state (DOT) projects. Requirements such as this are common at the federal level; in fact we've come expect them. We shouldn't be doing it at the state level.

Every project that requires a land transfer or exchange for right-of-way with the Alaska Railroad requires legislative approval. This requirement delays projects at least a year, and is not necessary.

In summary, this bill will allow the Department of Transportation to efficiently administer its statutory obligation consistent with the public interest. There are enough difficulties dealing with considerable redundancy in the myriad of federal requirements. Changes and improvements that can be made at the State level need to be made. This legislation maintains the public process for transportation needs that has been established over decades, but it eliminates unnecessary and costly redundancy.

The AGC fully supports this legislation and hopes for its quick passage. Thank you for hearing HB371.

Sincerely,



John MacKinnon, Executive Director
Associated General Contractors of Alaska