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March 5, 2013

Representative Peggy Wilson
State Capitol Room 406
Juneau, AK 99801

REFERENCE: Establishment of a State Transportation Fund

Dear Representative Wilson:

I would like to register strong support for the establishment of a State Transportation Fund.

The safety of Alaskan highways has long been a concern; the condition of pavement and road structures, including bridges, has deteriorated significantly over time, and they are always subject to harsh environmental conditions. The low density of the population and the long distances between population centers in Alaska means there are proportionally many more miles of roadway to maintain, and a State Transportation Fund is necessary to supplement Federal Funding to ensure that current roads can be maintained and new roads developed to appropriate standards.

The establishment of a dedicated State Transportation Fund could also underpin alternate project funding methods that could leverage the fund value by providing the necessary credit rating to underwrite any form of Public Private Partnership, through which private investments could be used for further development of Alaskan transportation infrastructure. The fund could also benefit as the single repository of fuel taxes and tolls, and would be self-sustaining if properly established at the outset.

While Federal Funding and bonds presently make up a significant portion of Alaskan transportation spending, these sources are subject to severe reductions in the future, due to either reduced Federal spending or potentially unfavorable interest rates. The establishment of a State Transportation Fund will provide stability and predictability to the development of the State, and is entirely compatible with National and International approaches to paying for transportation infrastructure.

Sincerely,

COLASKA, INC.

Ben Northey, CPC
President