



Alaska Department of Transportation & Public Facilities

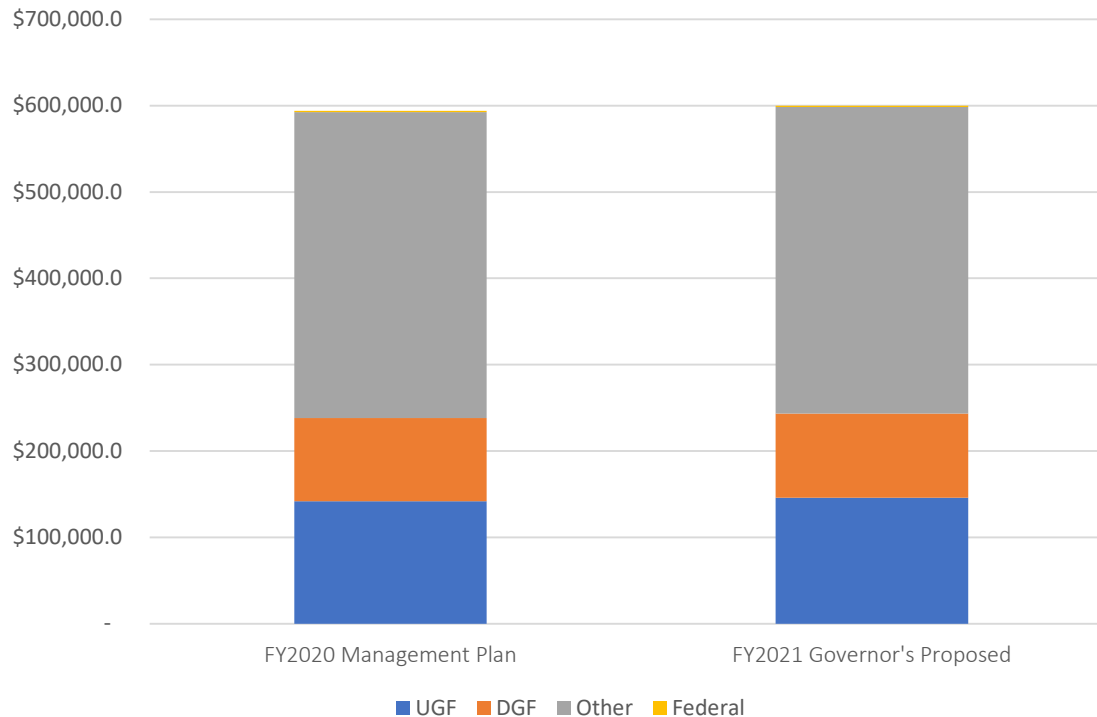
House Finance Committee DOT&PF Overview and AMHS Update

John MacKinnon, Commissioner
Dom Pannone, Administrative Services Director

February 10, 2020

Our mission is to ***Keep Alaska Moving*** through service and infrastructure.

FY2021 Operating Budget Comparison



CORE SERVICES



Operate

Alaska's Transportation Infrastructure

Provide

Transportation Services

Preserve

Alaska's Transportation Infrastructure

Modernize

Alaska's Transportation Infrastructure

\$ in Thousands (1,000)

	FY2020 Management Plan	FY2021 Governor's Proposed	\$ Difference FY2020 and FY2021	% Difference FY2020 and FY2021
UGF	\$141,949.7	\$145,899.9	\$3,950.2	2.8%
DGF	\$96,369.1	\$97,615.6	\$1,246.5	1.3%
Other	\$354,072.3	\$354,942.3	\$870.0	0.2%
Federal	\$1,617.1	\$1,623.2	\$6.1	0.4%
Total	\$594,008.2	\$600,081.0	\$6,072.8	1.0%



FY2021 Fund Source Breakdown

Agency Operating	UGF	DGF	GF Sub Total	Other	Fed	Total	PFT
Formula							
Non-Formula	\$145,899.9	\$97,615.6	\$243,515.5	\$354,942.3	\$1,623.2	\$600,081.0	2,919
*Duplicate				(\$245,951.9)		(\$245,951.9)	
Non-Duplicate Total	\$145,899.9	\$97,615.6	\$ 243,515.5	\$108,990.4	\$1,623.2	\$354,129.1	

*Duplicate fund sources consist of 1007 I/A Receipts, 1026 Highway Working Capital Fund and 1061 Capital Improvement Project Receipts

UGF	1004 General Fund	\$145,899.9
DGF	1005 General Fund Program Receipts	\$5,238.5
	1076 Marine Hwy Funds	\$48,793.2
	1249 Motor Fuel Tax	\$37,234.9
	1200 Vehicle Rental Tax	\$6,349.0
Other	1239 Aviation Fuel Tax	\$4,809.1
	1061 Capital Improvement Project Receipts	\$166,219.0
	1026 Highway Working Capital Fund	\$35,824.2
	1232 Instate Pipeline Fund Inter-Agency Receipts	\$29.8
	1007 Inter-Agency Receipts	\$43,908.7
	1027 International Airport Revenue Fund	\$93,845.5
	1245 Rural Airport Receipts Inter-Agency	\$260.7
	1244 Rural Airport Receipts	\$7,238.6
	1108 Statutory Designated Program Receipts	\$365.9
	1215 Uniform Commercial Registration Receipts	\$656.6
	1214 Whittier Tunnel Toll Receipts	\$1,784.2
Federal	1002 Federal	\$1,623.2

SIGNIFICANT CHANGES



Increase Alaska Marine Highway System service weeks from 254.3 to 263.1 (8.8 week increase) which shortens service gaps

Replace UGF with Rural Airport Receipts

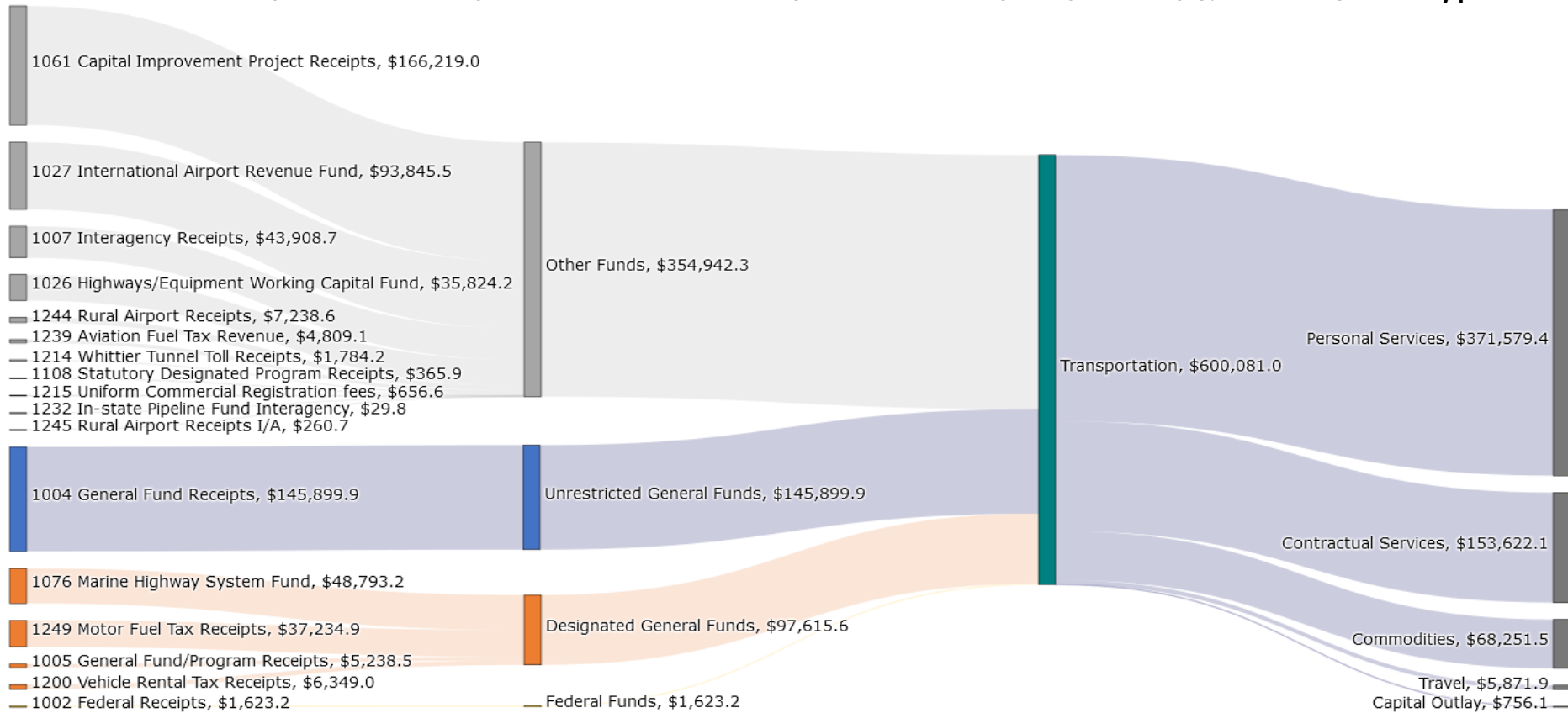
\$ in Thousands (1,000)



FY2021 Proposed Operating Budget

\$600,081.0

Fund Source → Fund Category → Total Operating → Expenditure Type

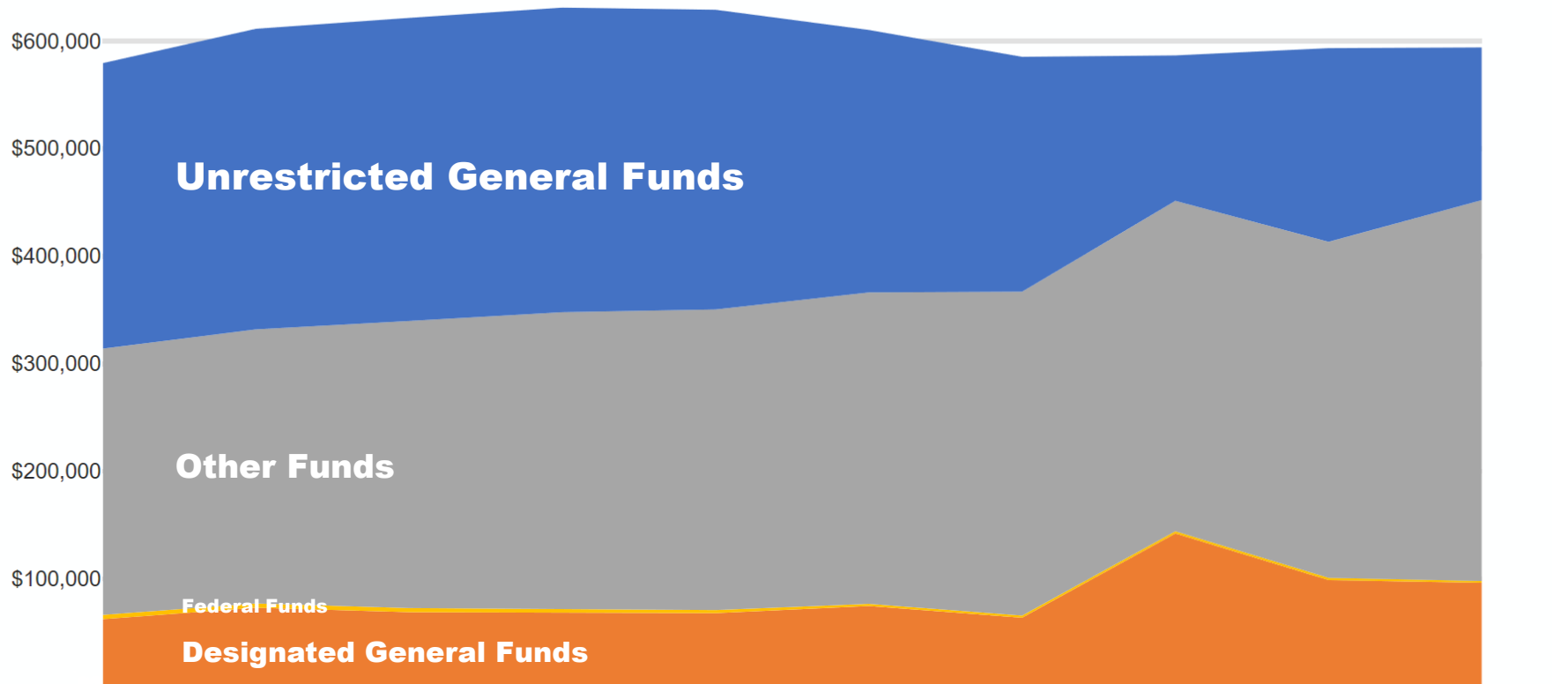


\$ in Thousands (1,000)

<http://dot.alaska.gov/admsvc/budget>



10-year Operating History



	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
UGF	\$ 265,396.5	\$ 279,460.7	\$ 281,760.8	\$ 283,168.4	\$ 278,604.6	\$ 244,014.4	\$ 218,336.1	\$ 135,191.8	\$ 179,988.8	\$ 141,949.7
OTHER	\$ 247,459.1	\$ 254,722.2	\$ 266,834.3	\$ 275,387.7	\$ 279,414.1	\$ 289,447.4	\$ 301,013.5	\$ 307,133.2	\$ 312,404.7	\$ 354,072.3
FED	\$ 3,957.2	\$ 3,972.9	\$ 3,827.7	\$ 3,844.6	\$ 2,850.4	\$ 2,028.7	\$ 2,033.9	\$ 2,066.2	\$ 2,135.1	\$ 1,617.1
DGF	\$ 62,583.9	\$ 73,194.7	\$ 69,053.3	\$ 68,640.8	\$ 68,167.7	\$ 74,777.4	\$ 63,904.3	\$ 142,201.3	\$ 98,821.0	\$ 96,369.1
TOTAL	\$ 579,396.7	\$ 611,350.5	\$ 621,476.1	\$ 631,041.5	\$ 629,036.8	\$ 610,267.9	\$ 585,287.8	\$ 586,592.5	\$ 593,349.6	\$ 594,008.2

Budgeted, Management Plan
\$ in Thousands (1,000)

Highways & Aviation Components

CHALLENGES



Empty Authority – Motor Fuel
Tax Receipts

Changing weather patterns

Increase in commodities costs

Deferred maintenance

Limited personnel at some
maintenance stations

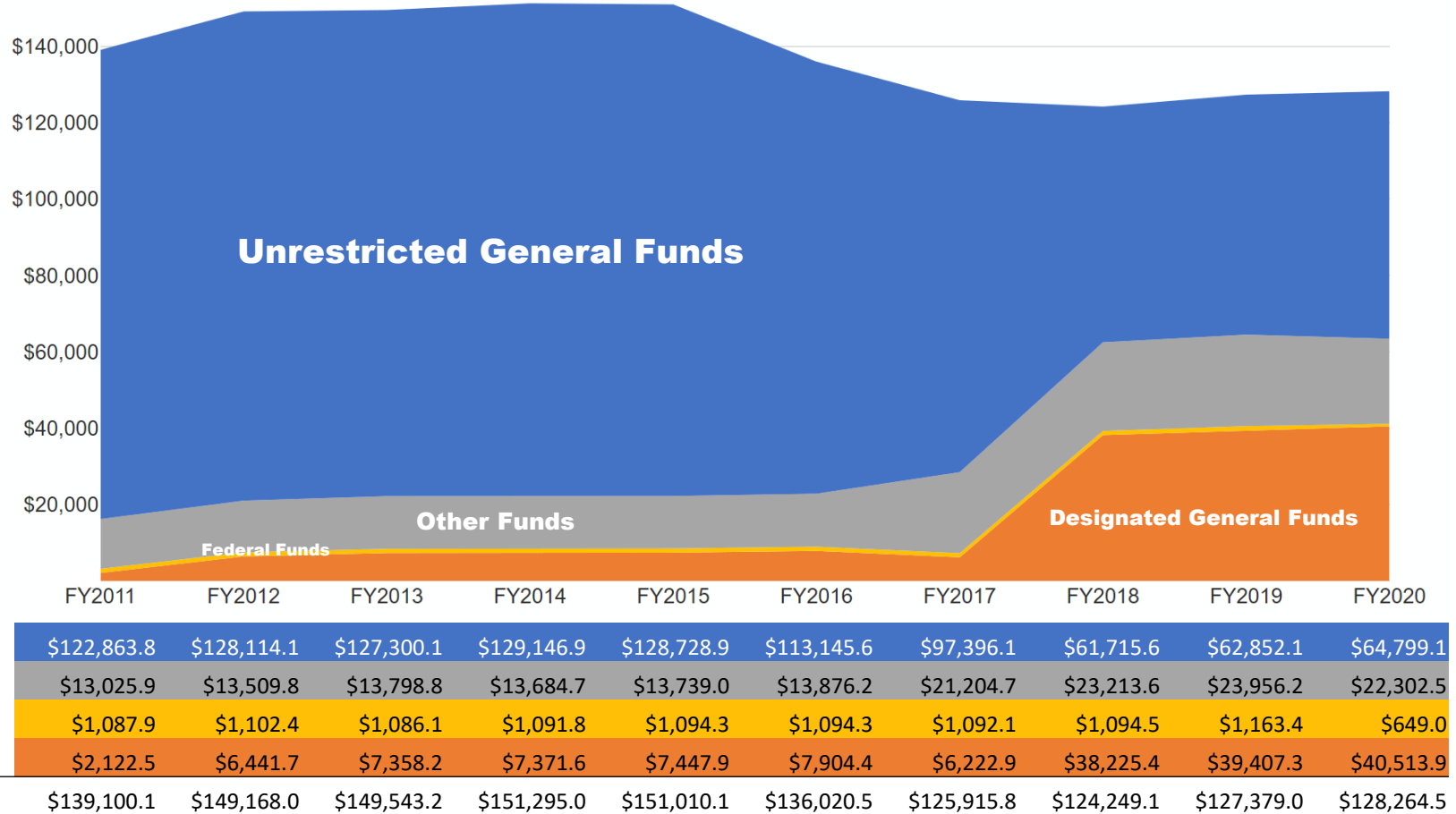
Turnover and recruitment

Dalton Highway Conditions, Fall 2019



Skagway / Klondike Highway closure, January 2020

Highways & Aviation Components



Budgeted, Management Plan
\$ in Thousands (1,000)

Other Department Challenges

CHALLENGES



Workforce Development /
Recruitment and retention

Per- and polyfluoroalkyl substances
(PFAS)

Division of Facilities Services



Alaska Marine Highway System

CHALLENGES



Aging terminals and vessels

Gaps in service

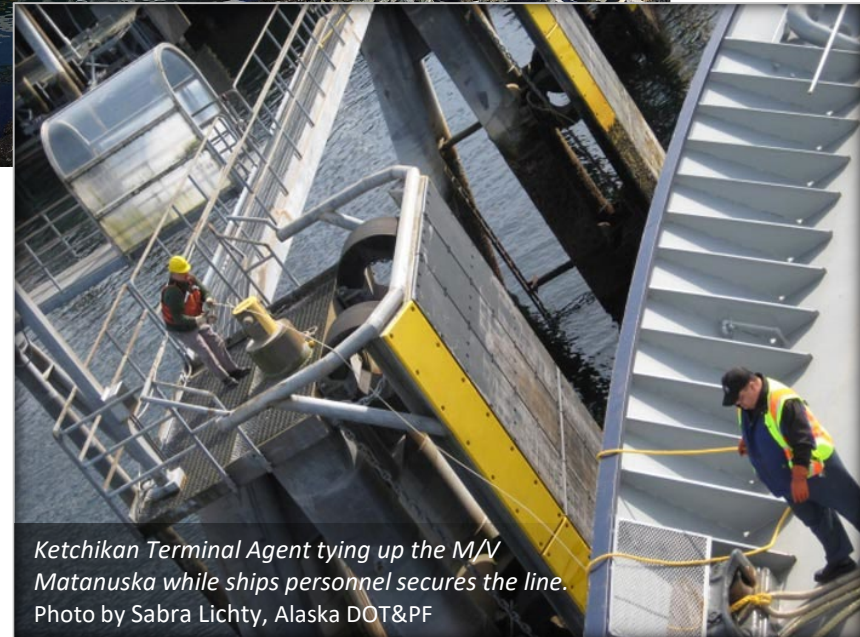
Federal law changes

Collective bargaining agreements

Turnover and recruitment



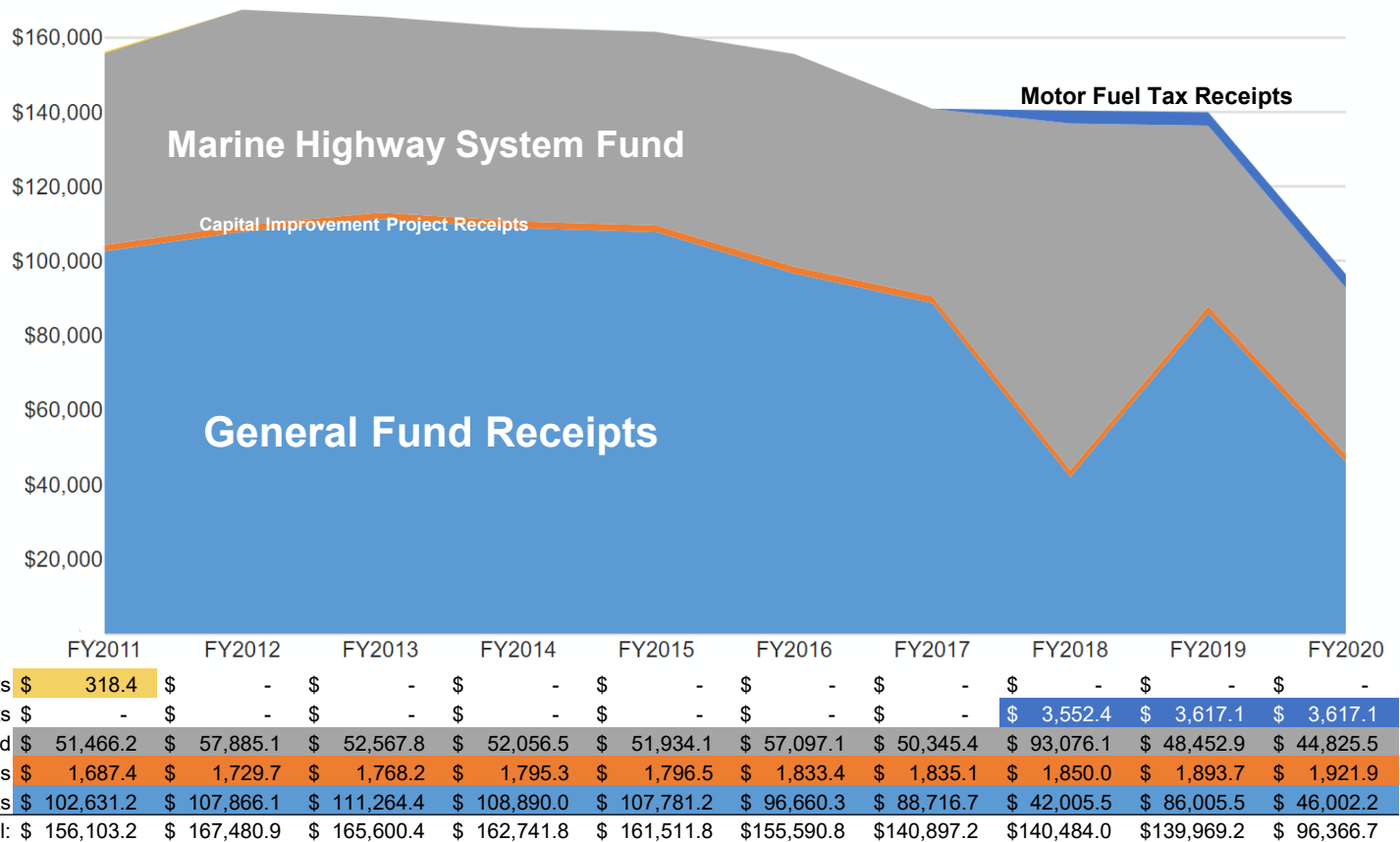
M/V Tazlina
Photo by Alaska DOT&PF



Ketchikan Terminal Agent tying up the M/V Matanuska while ships personnel secures the line.
Photo by Sabra Lichty, Alaska DOT&PF

Alaska Marine Highway System

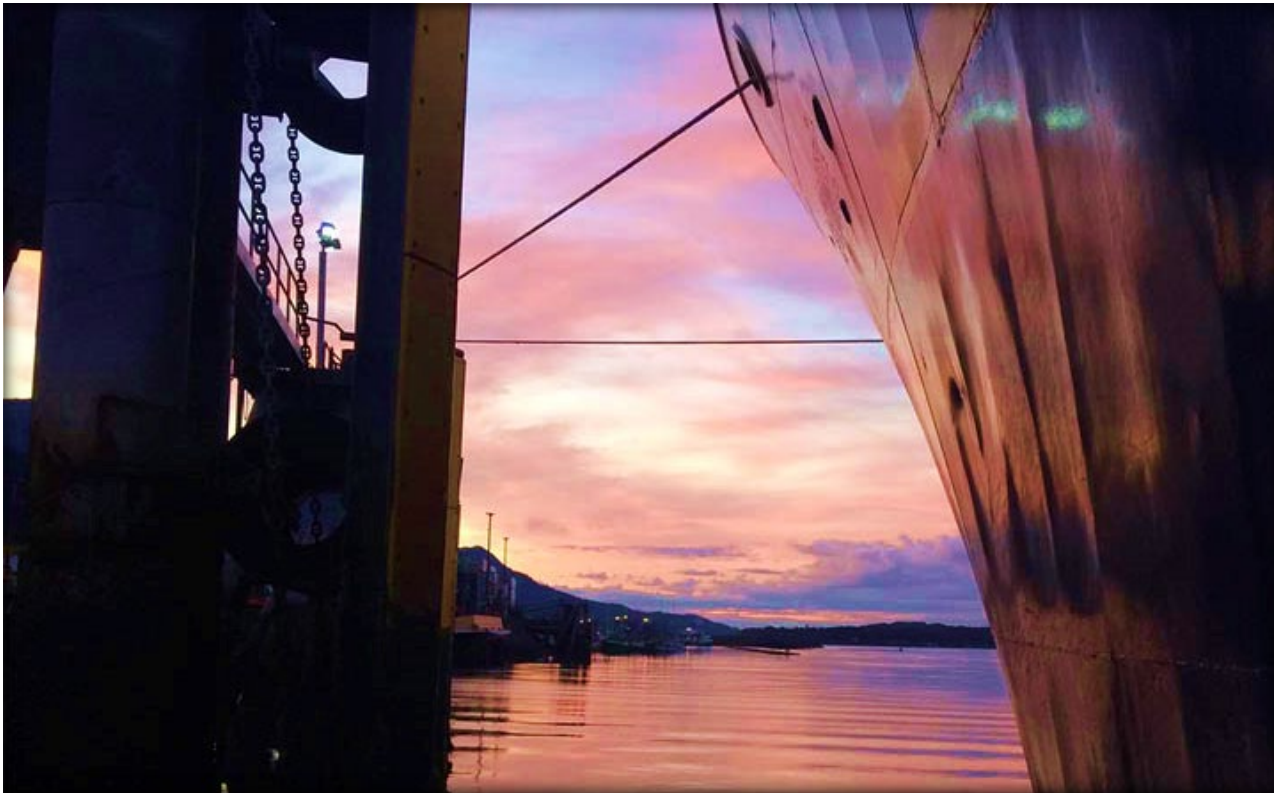
Marine Highway System
Budget Request Unit



Budgeted, Management Plan
\$ in Thousands (1,000)

FY2020 AMHS Service Overview

- FY2020 planned weeks of service – **283.9**
- Weeks of service provided through December 31, 2019 – **146.6**
- Estimated weeks of service through June 30, 2020 – **250.3**



Alaska Marine Highway System

Ship Status



Lituya
Currently running



Columbia
*Scheduled to run
May 6, 2020*



Aurora
In layup



Tazlina
*Scheduled to run
March 5, 2020*



LeConte
*Scheduled to run
May 20, 2020*



Malaspina
In layup



Kennicott
*Scheduled to run
April 16, 2020*



Matanuska
To be determined



Fairweather
In layup



Tustumena
*Scheduled to run
May 1, 2020*



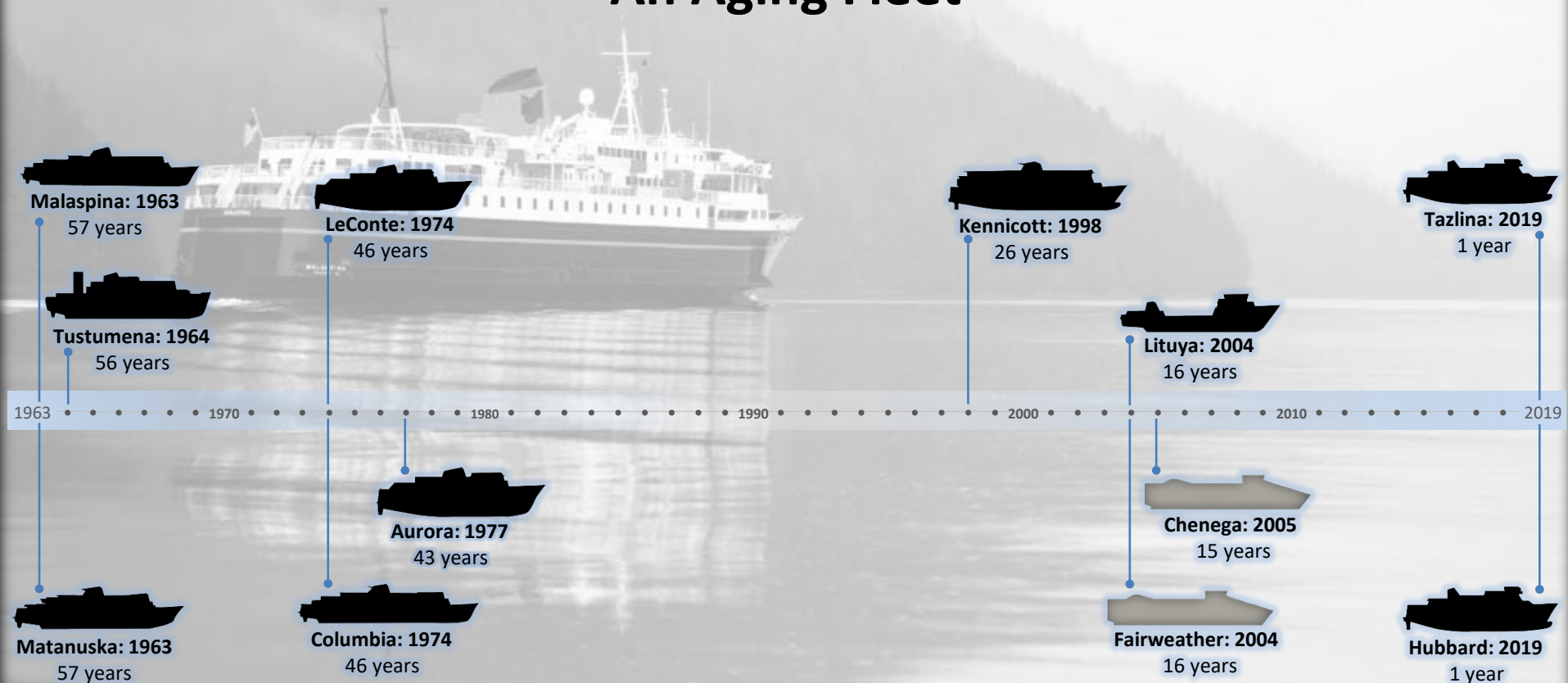
Hubbard
Forward door installation



Chenega
In layup

Alaska Marine Highway System

An Aging Fleet



Most fleets retire their ships at 30-35 years.



AMHS Reshaping Study

The objective of this study is to identify potential reductions in the state's financial obligation and/or liability as they relate to AMHS.

Achieving that goal will require increases in revenues, reductions in cost, or a combination of the two.

dot.alaska.gov/project_info/

AMHS Reshaping Workgroup

Thank You.

John MacKinnon

Commissioner

(907) 465-3900

John.MacKinnon@Alaska.gov

Dom Pannone

Administrative Services Director

(907) 465-2956

Dom.Pannone@Alaska.gov

Glenn Highway near MP 88 and Matanuska Glacier. Photo by Brock Antijunti

