



# **Alaska Department of Transportation & Public Facilities**

## **House Finance Committee Capital Program & FY2022 Request Overview**

Rob Carpenter, Deputy Commissioner

John Binder, Deputy Commissioner

James Marks, Program Development

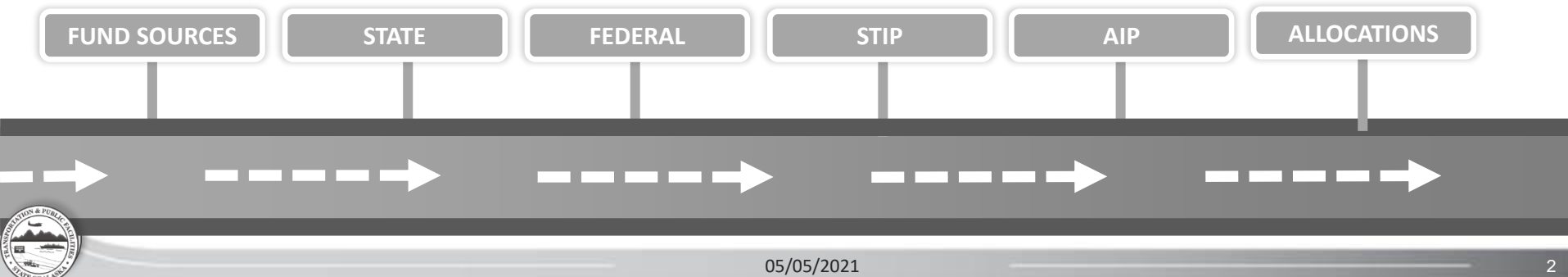
Dom Pannone, Administrative Services Director

May 05, 2021

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

# Presentation Outline

- I. Funding Sources**
- II. State Funded Capital Projects**
- III. Federal Programs**
  - I. STIP – Statewide Transportation Improvement Plan**
  - II. ACIP – Aviation Capital Improvement Plan**
- IV. Federal Program Project Allocations**



# Funding Summary

(thousands)

## Designated General Funds

1005 GF/Prgm	\$	1,000.0
<b>Designated General Funds Total</b>	<b>\$</b>	<b>1,000.0</b>

## Federal Funds

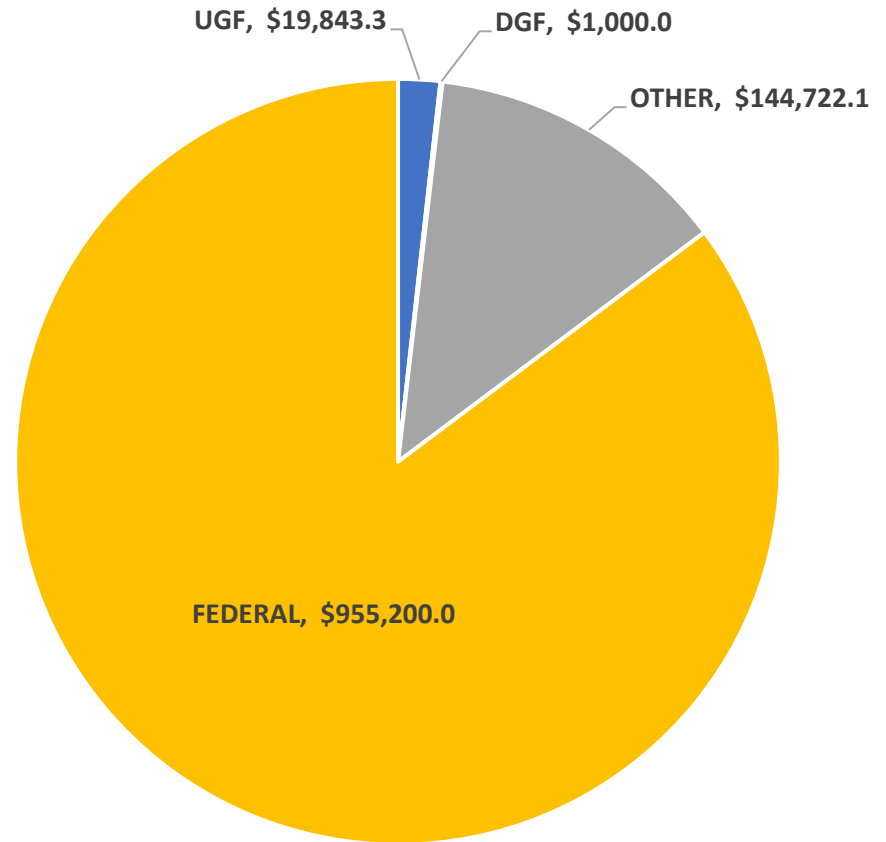
1002 Fed Rcpts	\$	955,200.0
<b>Federal Funds Total</b>	<b>\$</b>	<b>955,200.0</b>

## Other Funds

1026 Hwy Capitl	\$	22,000.0
1027 Int Airprt	\$	25,800.0
1092 MHTAAR	\$	300.0
1108 Stat Desig	\$	10,000.0
1112 IntAptCons	\$	722.1
1113 AHFC Bonds	\$	85,900.0
<b>Other Funds Total</b>	<b>\$</b>	<b>144,722.1</b>

## Unrestricted General Funds

1003 G/F Match	\$	1,300.0
1004 Gen Fund	\$	17,543.4
1037 GF/MH	\$	1,000.0
<b>Unrestricted General Funds Total</b>	<b>\$</b>	<b>19,843.4</b>
<b>Grand Total</b>	<b>\$</b>	<b>1,120,765.5</b>



FUND SOURCES

STATE

FEDERAL

STIP

AIP

ALLOCATIONS



# State Capital Appropriations

## Programmatic / Recurring Requested Annually

Mental Health Coordinated Transportation and  
Vehicles (UGF), \$1.3M

AMHS Vessel Overhaul (UGF), \$15M

State Equipment Fleet , \$22M

Federal-Aid Highway Match Credits, \$1M

Federal Program Match, \$87M

## Single / One Time Requested as needs arise

Computerized Maintenance Management System  
(CMMS) Year 3, \$1.5M

Weigh Station Scale Repairs, \$1M

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# Federal Programs & State Match

## Federal / Recurring Requested Annually

### Surface Transportation Program - \$680M Federal Receipts

Funding Source: Federal Highway Administration (FHWA)

- Guided by the STIP (Surface Transportation Improvement Plan)
- **State Match approximately 10% - \$71.2M**

### Airport Improvement Program - \$269M Federal Receipts

Funding Source: Federal Aviation Administration (FAA)

- Guided by the ACIP (Airport Capital Improvement Plan)
- **State Match 6.25% - \$14.7M**

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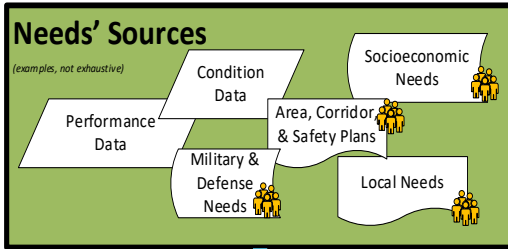


# Statewide Transportation Improvement Plan (STIP)

- The STIP is a 4-year plan that is required by federal regulations (23 USC 135 & 23 CFR 450) that lists out all the federally funded, and regionally significant surface transportation projects within the state
- Must be fiscally constrained
- Required to be developed with a public process
- Approved by Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA)
- Failure to comply with federal regulations and requirements will jeopardize federal funding for transportation infrastructure in Alaska



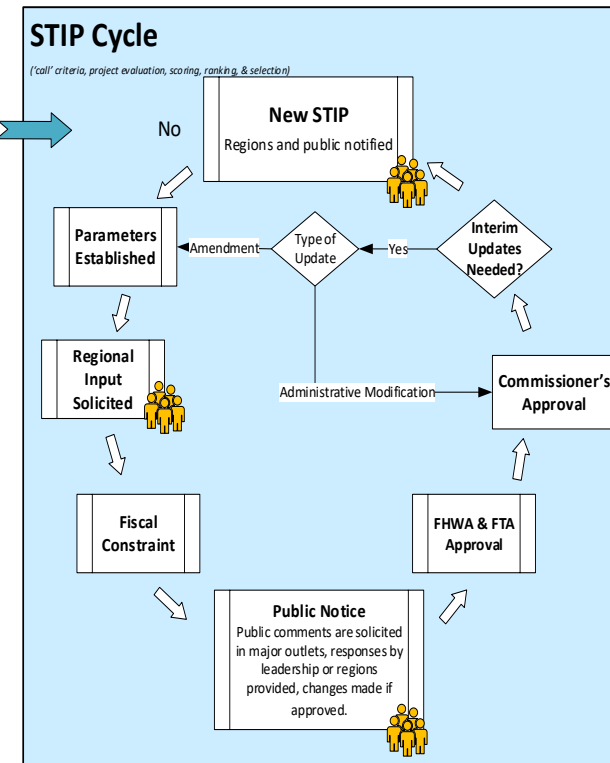
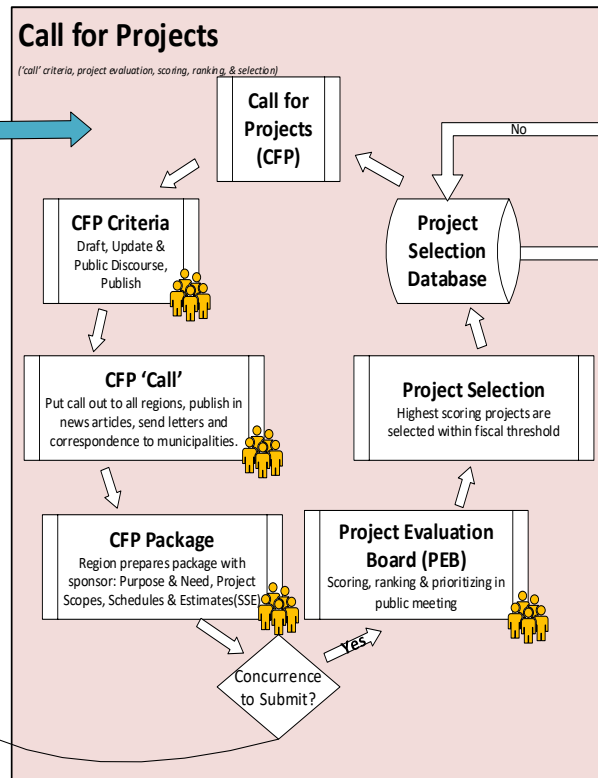
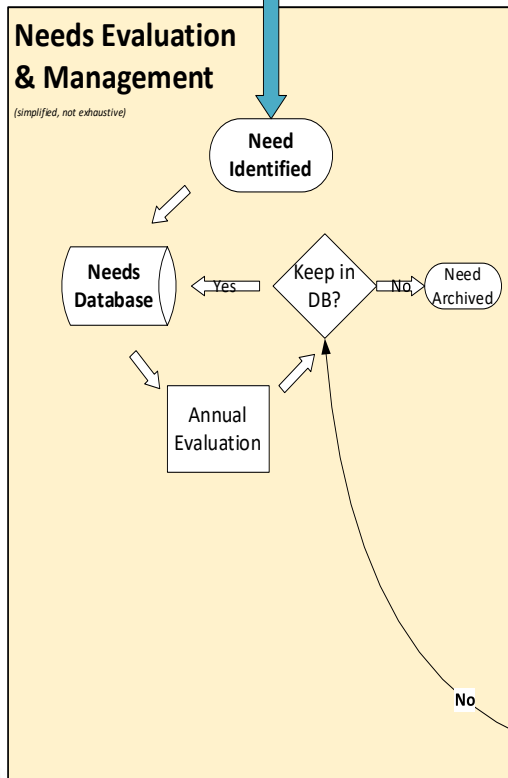
# The STIP Process



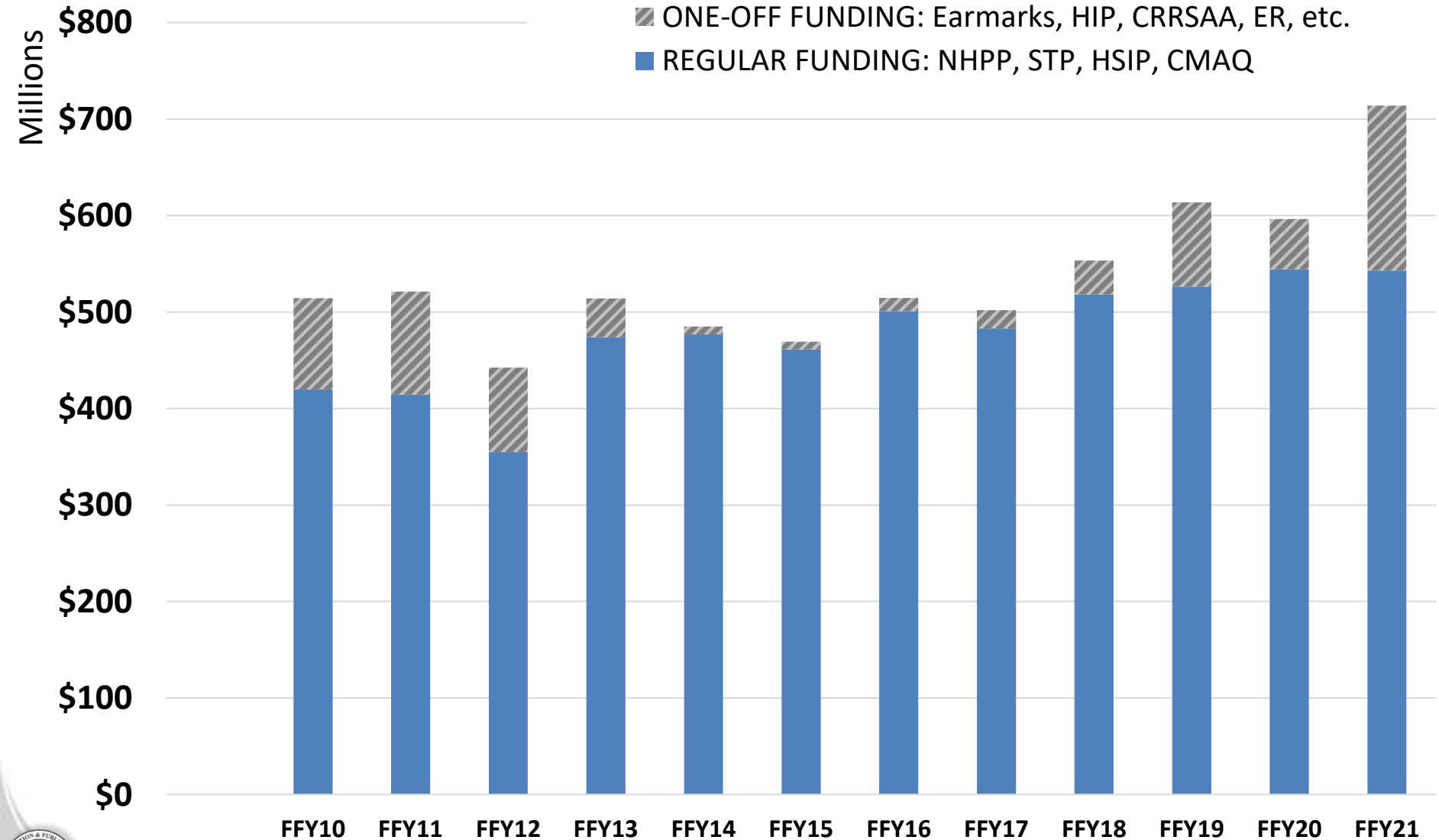
## The simplified, but not exhaustive steps in project development



*Represents times when the public is notified, solicited, or otherwise involved in the development process*

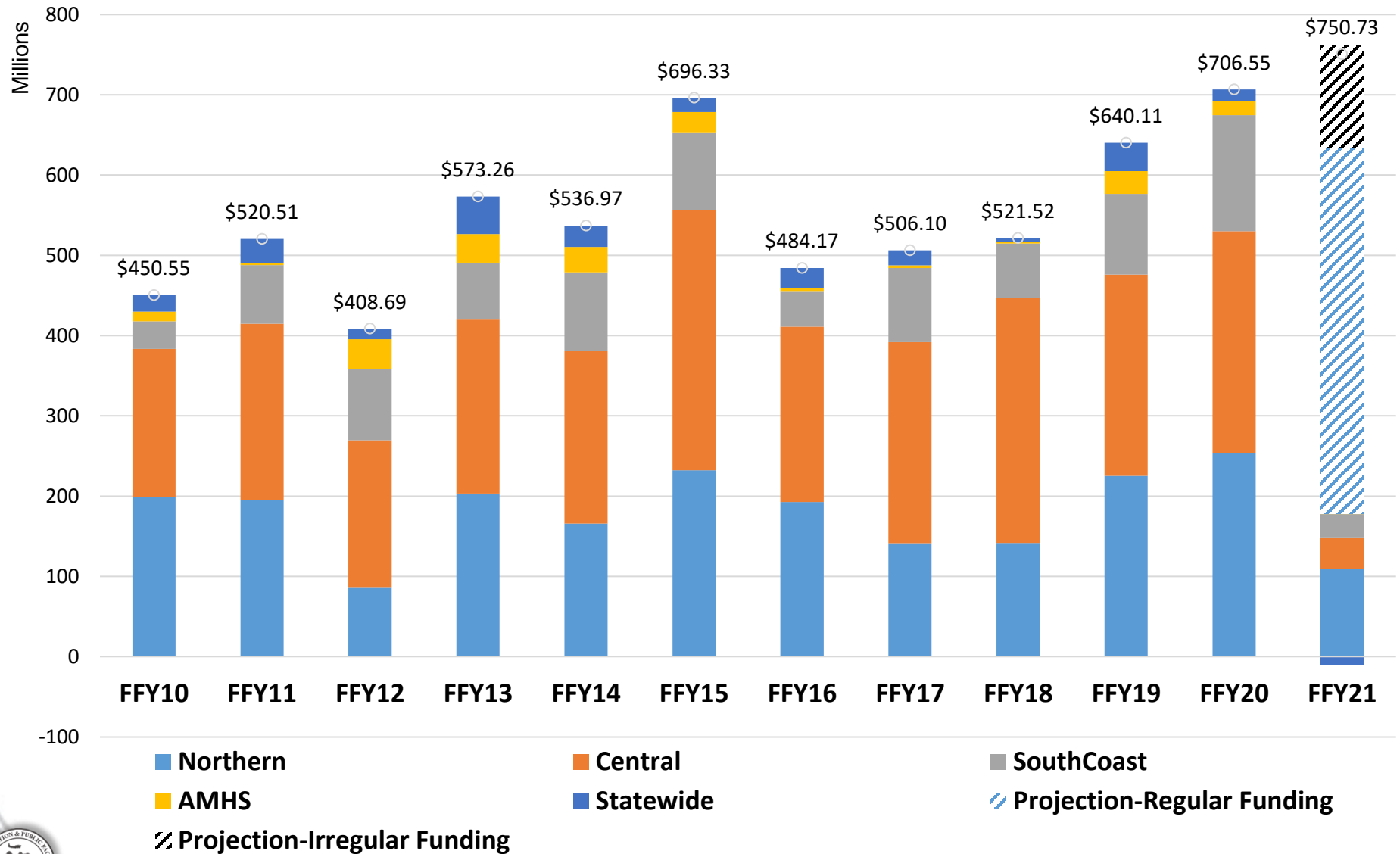


# STIP: Federal Limitation Over Time





# STIP: Federal Obligations by Year



# Airport Project Evaluation Board (APEB)

## Board Members

- Deputy Commissioner, Regional Planning Chiefs, SWA Division Manager, AIP Program Manager

## Project Evaluation Board Process

- Needs list development – conducted by regional planners
- Project nominations to the board
- Project scoring – criterion for airports (16) / buildings (8)
- Regular review

## Airport Capital Improvement Plan (ACIP) Development

- 5-year rolling plan



# Airport Improvement Program (AIP) for DOT&PF Airports in FFY 2020

FAA AIP airport capital improvement project funding for DOT&PF programs (~\$225.1 M)

- **Cargo Entitlements (\$11.9M)**
  - Earned by airports with more than 100 million pounds landed weight
- **Primary Passenger Entitlement (\$37.2M)**
  - Earned by airports with more than 10,000 enplaned passengers and scheduled commercial service
- **Non-Primary Passenger Entitlement (\$12.4M)**
  - Earned by airports with fewer than 10,000 enplaned passengers annually
- **State Apportionment (\$20.2M total less Muni Sponsors = \$19.9M)**
  - An area/pop. formula used after cargo/passenger entitlements calculated
- **Alaska Supplemental (\$21.3M total less Muni Sponsors = \$19.8M)**
  - Congressional amount based on 1980 amounts
- **Discretionary (\$104.7M less Muni Sponsors = \$93.5M)**
  - What remains – divided among 50 states
- **Supplemental Discretionary grants (\$30.5M)**
  - Special additional federal GF appropriation – Projects Selected by FAA

# AIAS Capital Funding

## Airport Improvement Program (AIP)

FFY2020

	<u>Discretionary</u>	<u>Entitlements</u>	<u>CARES Act</u>	<u>Total</u>
ANC	\$0.4M	\$15.0M	\$2.2M	\$17.6M
FAI	\$3.7M	\$ 7.1M	\$0.7M	\$11.5M

Anticipated FFY2021

	<u>Discretionary</u>	<u>Entitlements</u>	<u>Supplemental</u>	<u>Total</u>
ANC	\$31.7M	\$16.4M	\$10.0M	\$37.9M
FAI	\$ 0.3M	\$ 1.0M	n/a	\$ 1.3M

FUND SOURCES

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# Rural System Capital Funding FFY 2016 through FFY 2020

## Federal Capital Funding

- Rural System AIP annual average FFY 2016 - 2019 = \$132.9M
- FFY 2020 AIP = ~\$198.9M

## Rural Airport System State Match Required

- Generally, 6.25% of project eligible costs
- A few Essential Air Service airports in designated economically distressed communities qualify for a 5% match of project eligible costs
- FFY 2020 and 2021 project matches are 100% federal share through CARES and ARPA



# Major Rural System AIP Construction Projects Expected to be Funded in FFY 2021 & 2022

## Pavement Rehab

- Bethel
- Homer
- Unalaska

## Rural Access

- Angoon
- Bettles
- Brevig Mission

## Rural Access

- Chevak
- Ekwok
- Kaltag
- Kongiganak
- Metlakatla
- New Stuyahok
- Newtok
- Noorvik
- Saint Mary's

## Rural Access

- Seward
- Togiak

## Buildings

- Cold Bay
- Cordova
- McGrath
- Napaskiak

Alaska Airport Needs Directory: [dot.alaska.gov/airport-portal-newsres.shtml](https://dot.alaska.gov/airport-portal-newsres.shtml)



# Federal Program Project Allocations

- Prior to FY18 the two major federal programs were broken out into individual project allocations
- Pros:
  - Provided Legislature with additional clarity
  - Allowed for Legislative Finance House District Reporting
- Cons:
  - Difficult to manage
  - Required considerable overprogramming
    - Project Cost Increases
    - Project Slippage
  - Created expectations



# Potential Solution

- Working with the other body to address the two primary challenges of:
  - Project Cost Increases
  - Project Slippage
- Solution - Create Additional Allocations:
  - Project Contingency
  - Project Acceleration



# New Allocations

- Project Contingency Allocation:
  - Provides a federal authority "pot" when projects incur cost overruns.
- Project Acceleration Allocation:
  - Provides a federal authority "pot" for when projects are delayed
    - Allows for the advancement of a project in the STIP that is ready that may not be listed in the appropriation bill





**Thank You.**  
**Questions?**

*Mat-Su Valley seen from Independence Mine (May 2017). Photo by Chuck Eldridge*

