

ALASKA STATE LEGISLATURE
JOINT MEETING
SENATE TRANSPORTATION STANDING COMMITTEE
HOUSE TRANSPORTATION STANDING COMMITTEE
February 13, 2007
1:10 p.m.

MEMBERS PRESENT

SENATE TRANSPORTATION

Senator Albert Kookesh, Chair
Senator John Cowdery, Vice Chair
Senator Donny Olson
Senator Bill Wielechowski
Senator Gary Wilken

HOUSE TRANSPORTATION

Representative Kyle Johansen, Chair
Representative Mark Neuman, Vice Chair
Representative Anna Fairclough
Representative Craig Johnson
Representative Vic Kohring
Representative Mike Doogan
Representative Woodie Salmon

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

Overview: Department of Transportation Highway System

PREVIOUS COMMITTEE ACTION

No previous action to consider

WITNESS REGISTER

John MacKinnon, Deputy Commissioner
Department of Transportation &
Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898

POSITION STATEMENT: Presented overview

Jeffrey Ottesen, Program Development Division Director
Department of Transportation &
Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898

POSITION STATEMENT: Presented overview

Malcolm Menzies, Southeast Regional Director
Department of Transportation &
Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898

POSITION STATEMENT: Presented overview

ACTION NARRATIVE

CHAIR ALBERT KOOKESH called the joint meeting of the Senate and House Transportation Standing Committees to order at [1:10:28 PM](#). Present at the call to order were Senators Wielechowski, Cowdery, Olson, Wilken, and Chair Kookesh, and Representatives Kohring, Doogan, Johnson, Neuman, Fairclough, Salmon, and Chair Johansen.

OVERVIEW: DEPARTMENT OF TRANSPORTATION HIGHWAY SYSTEM

CHAIR KOOKESH announced the committee would hear an overview of the highway system.

[1:13:40 PM](#)

JOHN MACKINNON, Deputy Commissioner with the Department of Transportation (DOT), said he would be presenting an overview on the DOT's highway system in Alaska. The DOT exists to provide for the movement of people and goods and for the delivery of state services. It is organized into the marine highway, aviation, and highway and public facilities divisions. It covers three regions: southeast, central, and northern. The northern region contains the most roads and the central region is mainly urban. There are 2,113 centerline miles of national highway routes in Alaska, as well as lower-traffic routes such as the Steers and Denali highways. The DOT is responsible for 765 bridges on these combined routes, and possesses 84 maintenance stations statewide.

[1:18:14 PM](#)

MR. MACKINNON said that there are 29 state-owned harbors, 12 of which are operated by local governments. The state and local government must maintain floats in these harbors.

SENATOR COWDERY asked if the local government collects harbor fees.

MR. MACKINNON replied that the local government is responsible for collecting operational fees and conducting routine maintenance; major maintenance is done by the state. The control of many of these harbors is being transitioned to local governments.

[1:21:27 PM](#)

REPRESENTATIVE NEUMAN asked if there is any cruise ship head-tax money being distributed to the harbors.

MR. MACKINNON replied that none of the tax money will be going to the harbors, but in his opinion highway rest stops would greatly benefit from such additional funding.

[1:23:05 PM](#)

REPRESENTATIVE NEUMAN asked if local communities have the opportunity to volunteer for rest stop maintenance.

MR. MACKINNON replied that they may do so through the Adopt-A-Highway program, which applies to highways but can be extended to apply to rest stops as well.

[1:25:18 PM](#)

REPRESENTATIVE JOHNSON asked if the cruise ship head tax could be used for rest stop maintenance.

MR. MACKINNON said that he was unfamiliar with the tax initiative and could not answer the question.

REPRESENTATIVE JOHNSON encouraged Mr. MacKinnon to research the idea.

[1:26:10 PM](#)

MR. MACKINNON said that the DOT also oversees measurement standards and commercial vehicle enforcement. It certifies scales and gas pumps and enforces commercial vehicle inspections

and weighing. It has recently increased penalties for overweight loads.

1:29:08 PM

MR. MACKINNON said that there are 258 state-owned airports across Alaska, with a \$200 million federally funded budget. Alaska is the largest airport operator in the United States, and 134 airports are staffed through community contracts. Annual maintenance costs an average of \$27,000 per airport.

He said that the northern region receives the most maintenance funding because it contains many of the state's roads. Funding has been improved in the last few years, and costs have been kept down by efficient equipment. General funds are generally used for winter maintenance, and much summertime work is funded federally.

1:34:19 PM

REPRESENTATIVE NEUMAN asked if the funding chart referred to total funding, or just federal funds.

MR. MACKINNON replied that the funding is 90 percent federal.

1:35:27 PM

MR. MACKINNON reviewed recent natural disasters including flooding, and explained that first response comes from DOT personnel before contractors are hired to effect more permanent repairs.

SENATOR OLSON asked why \$600,000 in DOT disaster funds was spent on the Hooper Bay fire repair.

MR. MACKINNON replied that the money was spent to repair the road leading from the airport to the town to allow for the passage of freight and repair materials.

SENATOR OLSON asked if airports without surface runways are included in the DOT's maintenance budget.

MR. MACKINNON replied that such airports, with floatplane facilities, are included in the budget.

SENATOR OLSON asked if complaints about such airports would be directed to the DOT.

MR. MACKINNON responded that they would.

[1:39:10 PM](#)

MR. MACKINNON said that the DOT highways department oversees road and ferry construction contract administration, field inspection, and quality assurance. Current active projects total over \$1.5 billion, and past projects have included the Alaska Psychiatric Institute and the virology lab for the Department of Health and Social Services. The combined operating capital budget is about \$2 billion.

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REPRESENTATIVE NEUMAN asked how the DOT is approaching bridge improvements in regards to future traffic caused by the natural gas pipeline.

MR. MACKINNON replied that the DOT is doing inventory on routes that need improving, and is repairing them beginning with those in the worst condition. Particular care is being paid to the Dalton Highway.

[1:42:49 PM](#)

REPRESENTATIVE SALMON said that the governor has asked for a \$6 million cut in funding for the northern region of the state, and asked Mr. MacKinnon for his input.

MR. MACKINNON said that the DOT's share of the proposed cuts is \$23 million. The department responded by proposing cuts from a wide variety of programs across the state, but as of yet none are final.

REPRESENTATIVE JOHANSEN asked Mr. MacKinnon to eventually provide the committee with a break-down of the DOT's construction spending.

[1:44:21 PM](#)

MR. MACKINNON said that funding has been improving in recent years, and mentioned some highways around the state that need funding for repairs. Often weight limits on these highways are costly for the trucking industry, and proper maintenance could eliminate these restrictions.

[1:47:01 PM](#)

SENATOR COWDERY asked if there was a correlation between weight restrictions and speed limits.

[1:47:48 PM](#)

MR. MACKINNON said that he was not familiar with the issue, but that the DOT's goal was to eliminate the seasonal weight restrictions.

He said that a new interchange and road extensions in Anchorage will be built this summer to help reduce traffic congestion. He cited historic growth in expenditures by the federal highway administration.

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MR. MACKINNON explained the Statewide Transportation Improvement Program (STIP), which is a required listing of planned project activity for all federally funded highway construction. The program is officially renewed every four years, but renews continuously because of changes in project budgets.

[1:51:12 PM](#)

REPRESENTATIVE JOHANSEN asked how the marine highway system figures into federal National Highway System (NHS) funding.

JEFFREY OTTESEN, Program Development Division Director with the DOT, said that vessels and terminals of the marine highway system connected with a national highway are considered part of the NHS for funding reasons. The vessels are not earning revenue for the state, but are allowed to use NHS funding.

[1:52:36 PM](#)

MR. MACKINNON said that the Alaska Highway System (AHS) is comprised of 1,500 centerline miles that don't meet the federal standards for NHS. There are over 10,600 miles of Community Transport Program roads in Alaska.

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MR. MACKINNON showed a chart on federal distribution of highway funds in Alaska, 48 percent of which goes to NHS and 39 percent

of which goes to community roads and municipal planning organizations.

REPRESENTATIVE JOHNSON asked if percentages of funding were mandated by the federal government.

MR. MACKINNON replied that the mandates were part of Alaska statute.

[1:55:22 PM](#)

MR. MACKINNON said that STIP is currently being amended, and a program called SAFETY-LU receives high funding but this is leading to less funding for more ordinary projects. Many earmarks requested by communities and organizations have restricted the DOT's ability to fund other projects.

[1:57:17 PM](#)

REPRESENTATIVE JOHANSEN said that earmarks were picked by Alaska's delegation as obvious priorities.

MR. MACKINNON said that they often do not fully fund a project.

[1:58:09 PM](#)

SENATOR COWDERY asked how long plans for a project might be viable.

MR. MACKINNON replied that plans may be valid for as long as five years.

[1:59:07 PM](#)

MR. MACKINNON said that the DOT is still waiting for the transportation appropriations bill from the US Congress, and it is currently operating under a continuing resolution and hoping that the bill will be able to clarify actual funding. The current SAFETY-LU authorization expires in 2009, which may cause insolvency in the highway trust fund.

He said that the DOT's operating budget request is \$544 million for 2008. Much of this goes to general funds support, and the remainder to equipment replacement and international airport maintenance.

[2:01:46 PM](#)

REPRESENTATIVE NEUMAN asked if there is a gas tax in Alaska.

MR. MACKINNON replied that the highway gas tax in Alaska is eight cents per gallon, which is the lowest in the country. It was instated in 1963 and has not changed since that year; the national average is 25 cents per gallon.

REPRESENTATIVE NEUMAN asked if there is a federal gas tax.

MR. MACKINNON replied that the federal tax is 18 cents per gallon, and the tax is not included in the DOT program receipts.

[2:03:42 PM](#)

MR. MACKINNON said that the general fund request for 2008 is \$236 million, most of which will go to highway and aviation maintenance and operations. The rest will go to marine highway, administration, planning, measurement, facilities, and operations costs. The state possesses 700 buildings across Alaska.

[2:05:32 PM](#)

REPRESENTATIVE JOHNSON asked if the general fund is used to leverage any federal money.

MR. MACKINNON replied that all leverage money is in the capitol budget as highway and aviation matched funds.

[2:06:02 PM](#)

MR. MACKINNON said that a 2005 public opinion survey showed 80 percent approval of the DOT. There has been a 20 percent reduction in fatalities in the last two years, and a 6 percent decrease in bridge deficiency.

[2:07:23 PM](#)

SENATOR WIELECHOWSKI asked if the DOT sees increased costs because of melting permafrost due to global warming.

MR. MACKINNON replied that the DOT does have problems with melting permafrost, but it is used to dealing with it.

SENATOR WIELECHOWSKI asked for a cost estimate.

MR. MACKINNON said that he did not have an estimate.

[2:08:03 PM](#)

MR. MACKINNON explained that safety is a major goal at the federal and state levels, and highway fatalities have been reduced by 30 percent in the last five years due to increased traffic fines for dangerous sections of road, increased patrol officers, effective maintenance, and improved paving.

[2:11:08 PM](#)

REPRESENTATIVE NEUMAN said that the University of Alaska Fairbanks has been researching ways to reduce highway wear, and asked about any other efforts by the DOT in terms of reducing costs.

MR. MACKINNON said that the DOT uses milling machines that grind down only the traveling surface for refill, which saves tons of asphalt. New aggregates are being used on highways to resist studded tire wear, which can double the life of the paving surface.

REPRESENTATIVE NEUMAN asked if the DOT could use granite in the roads to make them wear-resistant.

MR. MACKINNON replied that granite is not hard enough for road surfaces.

[2:15:19 PM](#)

MR. MACKINNON said that one of the challenges facing the DOT is recruiting and retaining staff, because state and federal wages are too low. The DOT staff is aging, and replacements need to be found. The lack of the appropriations bill is an added uncertainty for the department.

[2:17:37 PM](#)

REPRESENTATIVE NEUMAN asked if the DOT had jurisdiction over highway warning signs.

MR. MACKINNON said that sign placement is federally regulated, and the DOT must abide by a federal manual. Highway markings are often obscured or worn off because of intense weather conditions and snowplowing.

[2:21:01 PM](#)

REPRESENTATIVE SALMON asked why lights are insufficient on some rural runways.

MR. MACKINNON said that the DOT is presently attempting to light all rural runways.

SENATOR WILKEN asked Mr. MacKinnon to speak about the re-appropriation of \$700,000 in funding for the O'Brian creek bridge washout.

MR. MACKINNON explained that in 2005 the DOT received the appropriation to provide access across native lands to the Copper River for dip-netting; the money wasn't able to be used but access has since been cut off by the creek washout. The original appropriation may now be used to replace the washed-out bridge or install a boat-launch facility.

[2:24:08 PM](#)

SENATOR WILKEN asked Mr. MacKinnon for detail on the Weigh In Motion truck weighing system.

MR. MACKINNON said that in Anchorage pavement sensors have been installed that weigh trucks as they move, which eliminates weigh station stops.

[2:25:21 PM](#)

SENATOR WILKEN asked if a trucker could conceivably drive from Anchorage to Prudhoe Bay without stopping at weigh stations.

MR. MACKINNON said that was correct.

[2:26:24 PM](#)

SENATOR OLSON asked how the DOT implemented dust control.

MR. MACKINNON said that paving materials can be impregnated with chemicals that reduce dust, but the process is very expensive.

[2:28:13 PM](#)

SENATOR OLSON said that airport vendors in his districts say they are being charged dissimilar gross revenue fees than others across the state.

MR. MACKINNON said that an effort is being made across Alaska to bring every airport to the same fee standard.

SENATOR OLSON asked for the DOT's stance on a Juneau access road.

MALCOLM MENZIES, Southeast Regional Director for the DOT, said that the DOT had solicited state logging road bids which were unexpectedly high, and Governor Sarah Palin ordered the DOT to cancel the bid. The DOT will continue to design the federal highway and accept bids in April. The road will be built in three phases with a total of seven bridges.

SENATOR OLSON asked how the governor's budget cuts would affect road construction.

MR. MENZIES replied that the road is a federal project and as such the DOT will be reimbursed for the costs.

[2:34:19 PM](#)

REPRESENTATIVE JOHNSON asked if the materials purchased in anticipation of the logging road project would be used in the federal project.

MR. MENZIES replied that there would be no money or material wasted.

REPRESENTATIVE JOHANSEN asked for detail on the federal funds for the access road.

[2:35:22 PM](#)

MR. OTTESEN said that funds would come from two places, the Shakwak program and the bridge funding program, which is generally restricted to replacement bridges but would be applicable in this project.

[2:36:10 PM](#)

REPRESENTATIVE JOHANSEN asked if there was a morale problem in the ranks of DOT employees, and related a personal story about working in the DOT when he was younger.

MR. OTTESEN replied that he thought department morale was fine, despite statements from other entities.

[2:40:47 PM](#)

REPRESENTATIVE SALMON said that people in his district were having problems with uneven application of fuel tank regulations.

MR. MACKINNON said that the DOT is in the process of making sure airport fuel tanks are double-walled, and eventually all airports will abide by the same regulations.

[2:43:25 PM](#)

REPRESENTATIVE NEUMAN asked for an explanation of Shakwak funding.

MR. OTTESEN said that Shakwak is a program developed in 1970 that allows American funding to flow to the Canadian portion of the Alaskan highway system, named for a geological fault in Canada. Later the law was modified to allow Canadian funds to come to Alaska.

[2:45:01 PM](#)

REPRESENTATIVE NEUMAN asked if Shakwak funding applied to the marine highway system.

MR. OTTESEN said that the terminals and ferries of the marine highway system, as well as roads leading to terminals, are eligible for such funding.

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REPRESENTATIVE NEUMAN asked if such funds could be used for the Juneau access road.

MR. OTTESEN said that the DOT is proposing using some Shakwak funds for the access road because the road would be replacing ferry service.

SENATOR OLSON said he thought Shakwak funds should be used to update the ferry fleet.

[2:47:19 PM](#)

MR. OTTESEN replied that the ferry system is clearly expensive to the state, and studies show that ferry lines need to be shortened and streamlined.

REPRESENTATIVE DOOGAN asked if a ferry terminal must already exist for a Shakwak-funded road to be built to it.

MR. OTTESEN said that in the case of the Juneau road, the funds can be used because a ferry terminal is included in the plans.

[2:49:16 PM](#)

REPRESENTATIVE JOHANSEN asked how long the state has been receiving Shakwak money.

MR. OTTESEN said that the state has been receiving the money since the early 1990s, and the funding has been relatively erratic. It has been used for Haines highway projects in the past.

SENATOR KOOKESH thanked the presenters and, seeing no further business, adjourned the joint committee meeting at [2:51:00 PM](#).