

**ALASKA STATE LEGISLATURE**  
**SENATE TRANSPORTATION STANDING COMMITTEE**

June 29, 2010  
11:05 a.m.

**MEMBERS PRESENT**

Senator Linda Menard, Vice Chair  
Senator Bettye Davis  
Senator Kevin Meyer  
Senator Joe Paskvan, via teleconference

**MEMBERS ABSENT**

Senator Albert Kookesh, Chair

**OTHER LEGISLATORS PRESENT**

Representative Peggy Wilson, via teleconference  
Representative Jay Ramras  
Representative Craig Johnson

**COMMITTEE CALENDAR**

PRESENTATION ON STATEWIDE AVIATION BY MARC LUIKEN~ DEPUTY  
COMMISSIONER~ AVIATION DIVISION

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

LEO VON SCHEBEN, Commissioner  
Department of Transportation and Public Facilities (DOTPF)  
Anchorage, AK

**POSITION STATEMENT:** Introduced the new deputy commissioner of  
aviation.

MARC LUIKEN, Deputy Commissioner  
Aviation  
Department of Transportation and Public Facilities (DOTPF)  
Anchorage, AK

**POSITION STATEMENT:** Provided a statewide aviation update.

JOHN PARROTT, Manager  
Ted Stevens Anchorage International Airport  
Anchorage, AK

**POSITION STATEMENT:** Answered questions fuel-related questions related to the Ted Stevens Anchorage International Airport.

FRANK RICHARDS, Deputy Commissioner  
Highways and Public Facilities  
Department of Transportation and Public Facilities (DOTPF)  
Anchorage, AK

**POSITION STATEMENT:** Answered questions related to highways and funding.

VERNE RUPRIGHT, Mayor  
Wasilla, AK

**POSITION STATEMENT:** Testified to the need to connect the Wasilla airport with the FEMA center.

JOE GRIFFITH, General Manager  
Matanuska Electric

**POSITION STATEMENT:** Provided information on the BuildAPlane project in Talkeetna.

CHERYL HEINZE, Community Affairs  
Matanuska Electric Association

**POSITION STATEMENT:** Described the BuildAPlane program and the project in Talkeetna.

#### **ACTION NARRATIVE**

[11:05:05 AM](#)

**VICE-CHAIR LINDA MENARD** called the Senate Transportation Standing Committee meeting to order at 11:05 a.m. Present at the call to order were Senators Kevin Meyer, Joe Paskvan via teleconference, and Linda Menard. Also present were Representatives Peggy Wilson via teleconference, Jay Ramras, and Craig Johnson. Senator Bettye Davis and Senator Meyer joined the committee as the meeting was in progress.

#### **Presentation on Statewide Aviation by Marc Luiken, Deputy Commissioner, Aviation Division**

VICE-CHAIR MENARD said the business before the committee is an overview of aviation by the new deputy commissioner of aviation, Marc Luiken.

[11:07:04 AM](#)

LEO VON SCHEBEN, Commissioner, Department of Transportation and Public Facilities (DOTPF), introduced Deputy Commissioner Marc Luiken and highlighted his distinguished 29 year career in the Air Force. A full copy of his resume may be found in the committee file. He described Mr. Luiken as a pilot who also has strong technical ties to aviation.

11:11:08 AM

MARC LUIKEN, Deputy Commissioner of Aviation, Department of Transportation and Public Facilities (DOTPF), said he's pleased to work with the dedicated group in what is the largest aviation system in North America. Aviation is very important to the people in this state and the economy. He related that this brief will provide updates on the Alaska International Airport System, the statewide aviation system, and what he intends to focus on as the deputy commissioner of aviation.

He described the Alaska International Airport System as the air freight gateway for trade and commerce between North America and Asia. He noted that about five percent of the value of all U.S. international cargo passed through Anchorage in 2008. That's equivalent to about \$41 billion in merchandise. International freight lines refuel in Anchorage in order to maximize the cargo transiting between Asia and North America. He displayed a chart showing that the combined cargo and passenger landing accounts have almost reached pre-recession levels. Of further note is that the certified maximum gross take-off weight is equivalent to the 2006 level.

A challenging issue is to be able to provide assurance of fuel availability. Currently there is a shortage of reliable and stable fuel, which has resulted in about 25 aircraft per week overflying Anchorage. The recession caused one of the significant discrete production units to be taken off line and recovering demand hasn't justified sustained production at pre-recession levels. This may continue for some time to come. Interim measures that are being pursued include bringing up Tower 3 at Flint Hills. Production started again this summer and the Alaska Railroad is currently moving about 700,000 gallons per day to support the operations in Anchorage. He expressed intent to continue to work with fuel suppliers and buyers to ensure adequate supplies through the winter.

SENATOR PASKVAN said he understands that that a consortium has been formed in Anchorage to address the jet fuel shortfalls and he'd like to hear what they've been able to achieve.

MR. LUIKEN deferred to John Parrott.

11:15:17 AM

JOHN PARROTT, Manager, Ted Stevens Anchorage International Airport, informed the committee that the fuel consortium, which has existed for a number of years, manages the storage and piping of fuel for the consortium members. It does not control fuel; it stores fuel that is under contract by the individual carriers. It stores about 20 million gallons at Anchorage International and the same amount at the Port of Anchorage. The consortium is also responsible for the hydrant system at the airport. He said the fuel shortage first became apparent in November and since then he's been working to educate suppliers, transporters, and users about what can be done

SENATOR PASKVAN mentioned the over flights due to the jet fuel shortage and asked what pricing mechanism may be inhibiting the full utilization of Alaska's petroleum resources as opposed to importing, and what control the jet fuel consortium plays in that process.

MR. PARROTT clarified that the consortium has no control or input on the price of fuel. The consortium neither buys nor sells fuel, but it does pay a fee for storage. What happened with Tower 3 at Flint Hills was a demand issue, not a pricing issue. At the end of 2008 and 2009 the annual demand for the Alaska International Airport System dropped about \$300 million gallons per year, which is about equal to the production capacity of Tower 3. It is now back on line and producing and Flint Hills plans to continue to run it as long as there is adequate demand or until the weather turns cold. At that point there are technical problems associated with operating at reduced capacity through the low-demand cold months or shutting it down in mid cold season. Flint Hills is looking at these issues and at the same time some companies are looking at contingency plans to bring in tanker fuel. This doesn't use Alaska resources but could conceivably meet the need of the air carriers.

11:21:41 AM

MR. LUIKEN displayed a slide to show that construction activity is nearly complete at Anchorage and Fairbanks. The new south terminal and connector between the north and south terminals in Anchorage and the new terminal and runway in Fairbanks are complete and have been in use for about a year. Both airports now have the capacity to handle the largest aircraft in world. He noted that the gate and the access control improvements at

Fairbanks are both American Restoration Recovery Act projects. Additional work includes runway work at Anchorage and repair to the fire response facility at Fairbanks.

MR. LUIKEN highlighted marketing as an issue that's on his mind and noted that cargo is one of biggest revenue drivers in the system. They're working to expand that as they continue to develop the air-cargo infrastructure. To that end they have an air cargo summit planned in August to discuss the cargo transfer advantages that Alaska law provides to carriers.

[11:24:15 AM](#)

CHAIR MENARD asked if their marketing budget is adequate.

MR. LUIKEN answered yes; the airports see this as a good investment.

REPRESENTATIVE P. WILSON noted that before he arrived on the job there was concern about the use of office space at the Anchorage airport and asked if that had been addressed.

MR. LUIKEN replied there is plenty of space for employees at the Anchorage airport.

REPRESENTATIVE P. WILSON said the issue was that too much space was being used for employees and therefore space wasn't available to rent and produce income.

SENATOR DAVIS joined the committee.

[11:26:47 AM](#)

MR. LUIKEN said the airport leadership is working to bring back a marketing team and is working with the Department of Administration to properly classify the positions so they can be filled.

MR. LUIKEN directed attention to the handout he provided detailing the various construction projects at the rural airports statewide. He assured the committee that many of the safety and regulatory needs throughout the statewide aviation system have been addressed and those will continue to be a priority. He highlighted that Bethel - the second busiest cargo airport in Alaska - has a new runway and a new airport manager who oversees the Bethel airport and 27 smaller community airports in the region. He displayed a slide to show similar successes in Southeast and noted that at this time there are no current construction needs in Southeast.

Upcoming construction challenges include airports in the Yukon-Kuskokwim Delta, the Aleutian Chain, and Akutan. These projects will be more expensive because of material availability, soil conditions, and access. Thus, he is looking at ways to foster economic development, particularly in smaller communities that are experiencing some growth. Right now there is potential in Hooper Bay, Savoonga, and Talkeetna. He said he'll be looking to the state and other sources for funding opportunities for these projects and he noted that there are indications that the federal government will expect the state to contribute a larger share of the match.

[11:31:36 AM](#)

MR. LUIKEN displayed a list of the areas he intends to focus on in the next few months. First, he will continue his predecessor's priority, which was to focus on Alaska's rural airports. He will work with the commissioner and the regional directors to ensure that maintenance and operations projects are adequately funded. The goal is to be good stewards of the capital improvements that have already been made. He said he also intends to look at the prioritization process in order to continue to focus on the airports with the greatest needs.

One of the greatest challenges to the project prioritization process is the FAA mandates. They define requirements for most of the airports in Alaska including many of the rural airports. For example, about \$230 million of the airport incentive program (AIP) funding over the last five years have been spent on runway safety areas around the state. The most recent FAA mandate relates to pavement condition so they'll probably spend between \$40 million and \$50 million of the AIP funding on pavements in FY11.

Another example of how they're interacting with federal agencies is the 100 low-lead aviation fuel issue. They're involved in a joint departmental effort responding to a proposed EPA rule change that could significantly impact Alaska's economy and way of life. His goal is to work with these agencies to provide a common-sense approach in dealing with Alaska's airports to continue to improve aviation safety.

He said he also intends to focus on communication both internally and externally. He said he's already met with many key stakeholders including the FAA, the Alaska Air Carriers Association, the Alaska Airports Association, Lake Hood Advisory Group, and others. One of the handouts he provided is a brochure

that tells the Alaska aviation story. The intention is to get this message to the funding decision-makers so that they understand what aviation means to communities in the rural areas of the state.

[11:35:17 AM](#)

CHAIR MENARD asked if he'd gone to Washington D.C. to speak directly to the decision makers.

MR. LUIKEN said he's looking forward to that opportunity. He said they'll continue to update their website and provide details on projects and the aviation system plan. He noted that plan was last updated in 1996 and they're two years into the new program. Updates on that will be forthcoming as they're available.

He displayed a slide to demonstrate that 82 percent of the state's communities are not on the road system and are therefore very dependent on aviation for basic needs. This is a large area.

[11:38:50 AM](#)

CHAIR MENARD asked if he feels that a lot of the FAA mandates are not applicable to Alaska.

MR. LUIKEN replied that's probably true, but we have to work with the FAA on each mandate to see if it makes sense.

CHAIR MENARD asked if the operation and maintenance on the 230 [255] state-operated airports is adequate.

MR. LUIKEN said he believes that one of biggest challenges is to allocate funds to maintain the runways at a level that ensures the margin of safety that air pilots expect.

CHAIR MENARD asked if he's comfortable that the Alaska congressional delegation is doing what it can.

MR. LUIKEN replied he will continue to work with them.

SENATOR MEYER joined the meeting.

[11:40:29 AM](#)

REPRESENTATIVE CRAIG JOHNSON, noting that Alaska has a very large and unique aviation population, asked if he has looked at the relationship between private and commercial pilots.

MR. LUIKEN replied he's flown around the Anchorage bowl and he's met with Lake Hood advisory council, but he hasn't gotten in-depth feedback from the general aviation community. His perspective is they've done a good job working with the FAA and the airports to keep aircraft well separated.

REPRESENTATIVE JOHNSON encouraged him reach out and open the lines of communication earlier rather than later with the pilots association because they typically won't say anything until there's a problem.

[11:43:51 AM](#)

MR. LUIKEN said he's talked with Tom George from AOPA [Aircraft Owners and Pilots Association] and Dee Hanson from the Alaska Airmen's Association, but he will make it a priority to meet with others.

CHAIR MENARD asked about his marketing plans to encourage a cargo hub in Anchorage.

MR. LUIKEN replied they've been working with the U.S. Department of Transportation to help interpret the transfer right rules that apply to Alaska that are different from the rest of the U.S. They hope that cargo carriers will recognize the huge potential here in Alaska. Recently they heard that several foreign international carriers didn't understand what these rules meant to them.

CHAIR MENARD suggested he develop a short video that legislators could distribute.

REPRESENTATIVE JOHNSON asked if there are any state laws or duty free areas relating to cargo transfer that the Legislature could address to make Alaska's airports more attractive.

[11:47:11 AM](#)

MR. LUIKEN said he doesn't have an answer, but he'll do the research.

SENATOR PASKVAN asked if the 25 over flights per week are due to the jet fuel shortage, if it's possible to get them back, and what volume they represent.

MR. LUIKEN surmised that at least a portion of the over flights are due to perceived fuel availability so part of his task is to get the word out that fuel is available in Alaska.

SENATOR PASKVAN asked if the imported jet fuel is cheaper.

MR. LUIKEN replied he doesn't know but he assumes it's not cheaper because there is a cost associated to bring it in.

SENATOR PASKVAN referred to his earlier statement that the certified maximum gross take-off weight was again equivalent to the 2006 level and asked if we could expect to reach the 2008 peak.

MR. LUIKEN replied that will be dependent on the larger economy.

SENATOR PASKVAN asked how far below the peak they are currently.

MR. LUIKEN deferred to Mr. Parrott.

[11:50:12 AM](#)

MR. PARROTT replied they're up to the November 2009 level, which is when they reached a limit they couldn't go above without getting some production from Tower 3. That tower has been turned on and is producing product so they're in good shape for the next couple of months, but that doesn't help an air carrier that wants a plan through the winter and into next summer. It's that winter period that they're concerned about when the production decreases more than the demand.

Responding to Senator Paskvan's previous question, he related that the carriers have said that most of 25 over flights are due to fuel. Because of the payload/range equation, they fully recognize that it's worthwhile to stop in Alaska and they've all expressed a desire to get those flights back into Alaska. We want to help resolve this problem while they have that desire and before they change their operations, he said.

SENATOR PASKVAN asked what percentage or volume the imported jet fuel represents relative to the Flint Hill Tower 3 capacity to produce. He said that gets back to his original question about whether the imported jet fuel is cheaper for these 25 flights or if instate is cheaper but there isn't enough demand.

MR. PARROTT said one of the problems is that the airport doesn't have information about the price of fuel. The carriers and producers set their contracts and determine the price of fuel and that information is closely guarded because it's a competitive advantage of one airline over another.

[11:53:21 AM](#)

SENATOR PASKVAN said that would be a relevant issue if the Legislature were to fund storage capacity. He added that he's trying to determine what needs to be done to sustain availability of instate produced jet fuel.

MR. PARROTT acknowledged that is a legitimate concern. He noted that during the peak days of 2007 they were maximizing the instate production capability. To go above that threshold additional storage capability will be necessary to handle out-of-state product. Right now if there were additional storage capacity there would be an economic battle. Furthermore, Flint Hills has some physics issues that are making life more difficult, he said.

REPRESENTATIVE JOHNSON asked what impact the 777 will have.

MR. PARROTT replied the 777 has the capability to overfly Alaska and depending on the business model of the carrier it could "volume out" before it "weights out" and overfly. But if the 777 reaches the maximum total weight it cannot overfly Alaska and go to cities in the Lower 48 without stopping. In large part it depends on what the craft is carrying as to whether or not it can overfly. The current Fed Ex business model allows them to overfly when they're eastbound. This gives them an advantage of being able to stay on the ground in Asia a few more hours and then fly directly to Memphis. On the westbound flight flying empty and into a headwind, the 777 often stops in Anchorage to change crews. He summarized that the 777 changes the situation a little, but it's not a drastic and immediate impact. He anticipates seeing more 777s as they carry heavier weights.

[11:57:16 AM](#)

FRANK RICHARDS, Deputy Commissioner, Department of Transportation and Public Facilities (DOTPF), said he has no prepared remarks but he's available to answer questions.

CHAIR MENARD asked how things are going from his perspective.

MR. RICHARDS related that it's been a challenging year with the stimulus money that came to the state for aviation and highway and transit, but he's pleased to report that the department responded in kind and put that money to work. They have projects ranging from Ketchikan to Kotzebue to Anchorage and the results are being seen. What he finds most beneficial is that the public is calling with positive comments. Projects that have been or are close to completion include: the Minnesota paving project in Anchorage; the Glen Highway paving from downtown Anchorage to

downtown Palmer; paving from Big Lake to Anchorage; and the Front Street work in Kotzebue.

This year the state received about \$130 million additional Federal Highway Program funds to use for projects within the STIP. That combined with the additional \$276 million from last year represents nearly \$400 million that the state will have to put to use to address transportation issues statewide. Department staff has worked hard to meet the associated federal obligations, but the money has been put to good use and Alaska will see the benefits of those projects over the next several years.

[12:01:07 PM](#)

SENATOR MEYER asked for updates on the Knik Arm Bridge and the safety improvements on the Seward Highway, particularly between Potters Marsh and Portage Glacier.

MR. RICHARDS explained that the Seward Highway from Potters Marsh to south of Girdwood is one of four designated highway safety corridors in the state. The enabling legislation for these safety corridors provided money for education, enforcement, and engineering. Education includes improved signage, an advertizing campaign to improve driving safety, and providing information to kids in schools so they can influence their parents. Enforcement - the Bureau of Highway Patrol within DPS has new enforcement officers and patrol vehicles that are patrolling that section of the Seward Highway. Engineering to design near-term projects that can be put in place while they plan, program, and acquire money for the other projects in that windy corridor on the Seward Highway.

The long-term goal on these safety corridors is to expand the highways from two lanes to four lanes, which will be expensive. The estimate for the Seward Highway is in excess of \$600 million and that money isn't currently available.

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MR. RICHARDS related that the Federal Highways Administration asked KABATA [the Knik Arm Bridge and Toll Authority] to complete a biological assessment of the beluga whale under the Endangered Species Act (ESA). That completed assessment will be given to the U.S. Fish and Wildlife Service and then that agency has to work with the ESA and the Marine Mammal Protection Act to come up with a biological opinion on the impacts of the bridge on the beluga whale and the critical habitat in Upper Cook Inlet. These formal processes must be complete before the

Federal Highways Administration will issue a record of decision for the project. He noted that he will go to Washington D.C. with the executive director of KABATA to help answer questions that the fish and wildlife may have.

[12:08:41 PM](#)

CHAIR MENARD expressed optimism that the bridge would be built by 2015.

SENATOR PASKVAN questioned where Alaska would be now without the federal stimulus dollars for projects.

MR. RICHARDS said Alaska receives about \$400 million annually from the Federal Highway Administration to address highway and road projects. Although the SAFETEA-LU authorization expired in September 2009, the state has continued to receive these funds through continuing resolutions.

SENATOR PASKVAN said he is specifically interested in the stimulus dollars.

MR. RICHARDS said the stimulus dollars were above and beyond the regular program dollars and were of great help in addressing the backlog of projects statewide. They were icing on the cake, but the state still has billions of dollars in needs in both the rural and urban systems.

SENATOR PASKVAN asked how many stimulus dollars are at work this construction season.

[12:12:50 PM](#)

MR. RICHARDS replied they received about \$275 million for airports, highways and transit.

REPRESENTATIVE PEGGY WILSON asked if projects that have been waiting a long time will be addressed or just STIP projects.

MR. RICHARDS said the stimulus money has advanced projects that have been waiting in the STIP. He clarified that part of the Title 23 requirements is that a project that is going to use federal highway dollars must be part of the STIP and it must have been developed using federal highway procedures. These are the environmental procedures, the right-of-way certification, and the design processes. Projects that would have been funded in 2011 or 2012 have been moved up to 2009 and 2010, which has helped to get more work done than originally planned.

REPRESENTATIVE P. WILSON asked if the stimulus money has to be used for STIP projects.

MR. RICHARDS answered yes; the money came through the Federal Highway Administration so DOTPF had to follow the Title 23 requirements.

REPRESENTATIVE P WILSON asked how many totally-state-funded projects were completed as a result of receiving stimulus funds for other projects.

[12:16:13 PM](#)

MR. RICHARDS answered they were able to advance between 15 and 20 highway-related projects with the stimulus funds that came to Alaska.

REPRESENTATIVE P WILSON said she'd follow up later.

VERNE RUPRIGHT, Mayor of Wasilla, informed the committee that the Menard Sports Arena is the FEMA area. He highlighted the need for just nine tenths of a mile of roadway that is related to the following:

- Connectivity to the airport for supply/resupply and air evacuation to the FEMA center in event of emergency.
- Economic development near the FEMA center.
- Relocation of the railroad station from downtown Wasilla.
- Lengthening of the Wasilla airport runway to 4,400 feet and upgrading the navigation system to provide for commercial traffic.

MAYOR RUPRIGHT emphasized the need to take care of citizens in an emergency as well as the increasing air and road transportation needs in the local area because the population surge is going to the Mat-Su Valley He invited the deputy commissioner to come talk to the Wasilla airport advisory commission.

CHAIR MENARD asked how the capitol budget affected the aviation plan this past year.

MAYOR RUPRIGHT replied they didn't get any funding, but they do have "some money in the bucket." He again emphasized the need to complete the nine tenths of a mile of roadway to connect the airport to downtown and to the FEMA center.

[12:26:00 PM](#)

SENATOR MEYER agreed that the infrastructure hasn't kept pace with the growth in the Mat-Su Valley. He asked for an update on the plans for a ferry to provide transportation across Upper Cook Inlet until the Knik Arm Bridge is built.

MAYOR RUPRIGHT said his understanding is that the ferry has been built and will be stored in Southeast until the Mat-Su Borough resolves the issues with the docking facility.

SENATOR DAVIS asked what his highest priorities are and what he's doing to reach his goals.

MAYOR RUPRIGHT replied a top priority is to get connectivity on South Mack road to the sports arena. It's been on both their federal and state wish list to no avail. He opined that attending this meeting possibly brought home to representatives in other areas of the state that the Wasilla area and the borough are becoming very crowded.

[12:31:27 PM](#)

SENATOR DAVIS questioned whether anyone in the room could speak to the issue of completing the nine tenths of a mile of roadway.

CHAIR MENARD held the question in abeyance.

REPRESENTATIVE RAMRAS joined the committee.

CHAIR MENARD asked Joe Griffith and Cheryl Heinze to brief the committee on the new "BuildAPlane" program.

JOE GRIFFITH, General Manager, Matanuska Electric, credited Cheryl Heinze for doing a lot of the work on the BuildAPlane program. Basically, he said, Matanuska Electric provided a facility in Talkeetna for three years and he gave the program his airplane.

[12:34:47 PM](#)

CHERYL HEINZE, Community Affairs, Matanuska Electric Association, highlighted Mr. Griffith's aviation accomplishments and explained that the BuildAPlane (BAP) project is a forum to teach the disciplines of math and science to kids, particularly kids with an interest in aviation. Rebecca Fischer from Talkeetna brought the idea forward and has enlisted the support of 20 aviation-oriented volunteers in the Talkeetna area. The FAA is a partner and Snap-On Tools provides tools at a 50 percent discount. FEDEX and UPS help move planes from the

donation point to the project site. Right now, Alaska has BAP projects in Hooper Bay and Talkeetna.

MS. HEINZE said it's most impressive that the school board backs the project and has incorporated an introduction to aviation in this fall's curriculum. The kids can take this course and then go to the donated building and learn how to build an airplane. Without being asked, Mr. Griffith donated his canvas and metal ground-loop Stinson. This is a win-win for everyone, she concluded.

[12:39:07 PM](#)

MR. GRIFFITH thanked the committee for the opportunity to spotlight the BAP project and reiterated that it's of value to the kids and he's happy to take part.

REPRESENTATIVE P. WILSON said she'll eagerly follow this project and she hopes it will engender interest in math and science, which will be reflected in improved scores.

MR. GRIFFITH said that's the intent. He added that the airplane he donated will provide ample learning opportunities because he delivered it disassembled and in boxes.

MS. HEINZE suggested that Representative Wilson look at starting a BAP project in her area.

CHAIR MENARD said she asked for this particular briefing because Alaska has more private pilots per capita than anyplace in the nation.

[12:43:34 PM](#)

CHAIR MENARD asked Mr. Richards to address the question Senator Davis asked earlier about completing the small section of roadway to connect the Wasilla airport and the FEMA center.

MR. RICHARDS explained that DOTPF has had communication with the city of Wasilla about the needs at the airport and the connecting road. As he mentioned earlier, the department has literally billions of dollars of needs on existing roads throughout the state and new roads have to be nominated and compete against those existing needs. Unless there is a specific general fund appropriation to address that new road it won't score well under the existing federal highway funding program. Although he doesn't have specific information on this project, it probably hasn't risen to the level of a STIP project because it doesn't meet the criteria. Nevertheless, he said he is

willing to work with the community to address their needs and help them through the process.

CHAIR MENARD commented that the fact that it will link the FEMA center score some points.

SENATOR DAVIS suggested the mayor look at funding alternatives.

[12:47:08 PM](#)

MAYOR RUPRIGHT responded he's contacted the congressional delegation and Senator Murkowski is trying to get \$1 million for the project. He articulated the frustration in having a FEMA center that isn't connected to the airport and pointed out that in the event of a catastrophic disaster the center couldn't get resupplied if the road is shut down.

MR. RICHARDS suggested it may take a multifaceted, multi agency approach to accomplish this project. He mentioned the FAA options, the federal transit options, and potentially federal highway and general fund dollars.

MR. RICHARDS informed the committee that he just learned that a crane operating on the Barnett Street Bridge in Fairbanks toppled this morning. Fortunately no one was seriously injured.

REPRESENTATIVE RAMRAS said he's interested in what authority Alaska's U.S. Senators have to re-appropriate some of the highway funds out of the \$17 million community airport project in Senator Hoffman's district to address the concerns that Mayor Rupright has brought forward.

MR. RICHARDS said he recalls that the most publicized airport project was in the small community of Ouzinkie where approximately \$12 million was appropriated. Those were American Recovery Act funds and could only be spent on airports that were "shovel ready." That project will be completed this fall and it will have consumed all the funds available to it.

He noted that the FAA does have a pot of discretionary funds available on a national basis and the local FAA office can compete for those funds. This is in addition to the set allocation that goes to each state annually based on population, number of airports, and other criterion.

[12:55:59 PM](#)

REPRESENTATIVE RAMRAS expressed interest in signing a block letter supporting moving forward on getting discretionary funds through the FAA.

MAYOR RUPRIGHT said he appreciates the help.

REPRESENTATIVE JOHNSON asked Mr. Luiken if he could address the major impact that the FAA reauthorization could have on tourism, hunting, and fishing to Alaska.

MR. LUIKEN replied he isn't prepared to address this, but he would like the opportunity to do so at a later time. He added that he knows that the FAA is getting close to a version that will be agreed to by both houses in Congress.

REPRESENTATIVE JOHNSON said he wants this on the radar because it will be a huge issue for this state.

CHAIR MENARD advised the committee that this is just the first of several transportation overviews.

There being no further business to come before the committee, Chair Menard adjourned the Senate Transportation Standing Committee hearing at 1:00 p.m.