

SENATE FINANCE COMMITTEE  
February 28, 2024  
9:00 a.m.

[9:00:35 AM](#)

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:00 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair  
Senator Donny Olson, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senator Click Bishop  
Senator Jesse Kiehl  
Senator Kelly Merrick  
Senator David Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Ryan Anderson, Commissioner, Department of Transportation and Public Facilities; Sean Lynch, Chief Assistant Attorney General, Transportation Section, Department of Law;

PRESENT VIA TELECONFERENCE

SUMMARY

UPDATE: STATE TRANSPORTATION IMPROVEMENT PLAN - DEPARTMENT OF TRANSPORTATION

^UPDATE: STATE TRANSPORTATION IMPROVEMENT PLAN - DEPARTMENT OF TRANSPORTATION

[9:01:00 AM](#)

Co-Chair Stedman explained that the committee would hear from the Department of Transportation and Public Facilities (DOT&PF) regarding the Statewide Transportation Improvement Program (STIP), which was the federal funding process for the state. He noted that there had been a "hiccup" that resulted in the submission being denied on the federal level. He shared that as the committee was trying to work through the budget process, it had asked DOT to present on the status of the STIP. He wanted the committee to understand the gravity of the situation.

Co-Chair Stedman continued that Senator Bishop was a former chair of the Capital Budget and Co-Chair Hoffman was the current Capital Budget chair. He asserted that the committee was not endeavoring to find fault or blame, but rather to work through the situation to get things back on-track.

[9:03:59 AM](#)

RYAN ANDERSON, COMMISSIONER, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, introduced himself and thanked the committee for allowing DOT to present. He asserted that the department had been working seven days a week since the February 2024 findings by the Federal Highway Administration. He turned to the presentation entitled "Statewide Transportation Improvement Program (STIP) Update" (copy on file).

[9:05:05 AM](#)

Commissioner Anderson looked at slide 2, "What is the Statewide Transportation Improvement Program (STIP)?" :

- Required under 23 USC 135 and 23 CFR 450.218 and 17 AAC 05.155
- Four-year planning document
- Includes all federally funded surface transportation projects
- Fiscally constrained
- Contains other projects of regional/statewide significance

<https://www.transit.dot.gov/regulationsandguidance/transportationplanning/statewidetransportationimprovement-program-stip>

[9:06:24 AM](#)

Senator Bishop referenced Commissioner Anderson's mention of working seven days a week since the decision on the STIP application. He asked whether the department had added staff to handle the workload.

Commissioner Anderson answered "yes," and noted that there would be additional slides that illustrated the matter. He discussed the various staff working on the issue. He estimated that there was close to a cumulative 300 years of experience working on the problem.

[9:07:53 AM](#)

Commissioner Anderson spoke to slide 3, "How does the STIP Impact Projects on the Street?"

Project Delivery Continues:

- Operating under a 2020-2023 STIP Extension until March 31, 2024
- Projects continue to be obligated under the extension - close to \$200M obligated this year
- Carry over projects continue
  - Estimated at over \$350M
- Over \$100M in projects currently advertising for construction this summer

Commissioner Anderson addressed the flow chart shown on the slide, and noted that DOT obligated projects by phase, including design, construction, maintenance and operations, and planning. He iterated that a project started in design was a phase 2 item and had to be in the STIP. He continued that right-of-way for projects also had to be in the STIP, as well as production. He said that every sequence required STIP documentation.

[9:10:09 AM](#)

Co-Chair Stedman asked Commissioner Anderson to address the first bullet on slide 2, and whether it required a 30-day review.

Commissioner Anderson explained that the STIP extension until March 31 the deadline for the completed resubmittal.

9:10:50 AM

Co-Chair Hoffman wanted to convey the importance of the issue for the public. He understood that Alaska was the only state in the current year that had been asked for a resubmittal, which he considered a drastic step by the federal government. He asked how important the resubmittal was to the state, so that state services would continue. He emphasized that it was hard to downplay the importance of the program, and the request by the federal government for a resubmittal. He stressed that the subject was not a trivial matter.

Co-Chair Stedman asked Mr. Anderson to give background on the submittal and resubmittal process.

Commissioner Anderson affirmed that DOT had gone back and through and looked at past STIP requests. He relayed that the federal government had offered recommendations in the past but not corrective actions. He offered the usual timeline regarding submittals. He described that other states were doing a "rolling STIP," in which they submitted a STIP every year or two years, rather than four years, so that there was always an active request.

9:14:37 AM

Co-Chair Stedman understood that the state's current STIP situation was rare.

Commissioner Anderson replied in the affirmative.

9:15:02 AM

Senator Bishop wanted to put a finer point on the matter from a monetary perspective. He asked whether DOT had modelled and cash-flow scenarios. He asserted that the committee was present to help the department but was also tasked with planning. He did not think he needed to stress the importance of the potential impact on the construction industry in the state.

Commissioner Anderson relayed that the department had not done specific modelling. He quantified that the state's typical award over a year was approximately \$750 million. He thought that DOT could look at previous numbers and attempt some modeling.

[9:17:03 AM](#)

Senator Bishop relayed that he had always given kudos to DOT for its resource distribution. He asked whether the state would lose funds that other states would potentially be able to sweep from Alaska.

Commissioner Anderson affirmed that if Alaska was not able to spend all its apportionments, other states could receive the funds.

[9:18:20 AM](#)

Commissioner Anderson referenced slide 4, " 2024-2027 STIP Timeline Overview," which showed a graphical timeline and overview:

**Alaska DOT&PF STIP Timeline**

**Dec 2021**

Work starts on E-SRIP or "STIP Manager"

**May 2023 - Decision Point**

DOT&PF moves to a new platform after E-STIP fails

**July 2023**

Draft STIP open for public comment from July 20 - Sept. 3

**Nov 2023**

DIT&PF submits new revised draft per FHWA request, reflecting federal feedback

**Jan 2024**

FHWA asks DOT&PF to "soft submit" on Jan. 11. DOT&PF formally submits on Jan. 19

**FEB 2024**

Feb. 12 FHWA provides Formal Finding  
DOT&PF formally resubmits STIP to FHWA

Commissioner Anderson shared that the department had instituted the "E-STIP" to make the STIP more accessible to the public and provide a more solid system for employees. He highlighted step 2 on the timeline, and DOT's decision point of moving to a new platform after the failure of the E-STIP. Numbers under the E-STIP had been inaccurate. He

contended that the new platform functioned better. He noted that DOT had added personnel in May 2023 to transition to the new platform.

Commissioner Anderson mentioned a "fair amount of consultation" with FHWA to submit the revised November draft. Another draft was requested in January. He noted that consultations in January prompted DOT to formally submit on January 19<sup>th</sup>.

[9:23:06 AM](#)

Co-Chair Hoffman requested, in the spirit of transparency, a list of projects obligated under the extension. He asked for geographical information on the projects, for Alaskans to be made aware of where each project stood. He addressed the decision point in May 2023 on the timeline, and asked Commissioner Anderson to discuss the new platform. He asked how moving to the new platform in May affected the decision by the FHWA.

Commissioner Anderson turned to slide 5, "The ESTIP Problem (Dec. 2021 - April 2023)":

Why a New Platform?

- Previous STIPs were built from individual spreadsheets
  - Cloud Based
  - Modern Tool for DOT&PF & MPOs (Metropolitan Planning Organization)
  - Improved planning functionality
- 
- Dec. 2021: RFP signed - work begins
  - April 2022: Certification test shows financial information not accurate
  - May 2023: Team stops work on E-STIP given flaws are deemed beyond correction with remaining time in federal fiscal year

Commissioner Anderson qualified that the department was building the platform themselves and was reliant only on internal resources.

Co-Chair Stedman asked whether the STIP was oversubscribed.

Commissioner Anderson answered in the affirmative.

Co-Chair Stedman asked whether DOT had a list of projects that had been removed or reordered to adjust to the decision from FHWA.

Commissioner Anderson did not have the information at hand but agreed to provide the information.

[9:27:14 AM](#)

Co-Chair Hoffman asked about the new platform and mentioned three regions in the state. He asked what participation or involvement by the regions were present in the development of the new platform.

Co-Chair Stedman explained that there were Northern, Central, and Coastal regions in the state, along with Fairbanks and Anchorage.

Commissioner Anderson stressed that DOT was providing training and resources to ensure that the regions could simultaneously begin documenting project estimates, scopes, and schedules. He said that staff, project managers, and directors could monitor projects and provide input that would be included in the STIP.

Co-Chair Hoffman asked that DOT come forward with the regional directors, as he considered that the directors played a critical role in the process.

[9:29:24 AM](#)

Senator Bishop asked about the new platform. He had reviewed submissions on the platform and had noticed that one project was denied due to a lack of public comment. He asked whether the public could comment electronically or whether those comments were given in person.

Commissioner Anderson did not recall which project Senator Bishop referenced.

Senator Bishop explained that a project was at Manly Hot Springs and the comment was that there had been no interaction with the tribe.

Commissioner Anderson understood that tribal projects had to be incorporated by reference and were not listed in the STIP. He considered that the Manley Bridge had been a great

success for the state, a project that the tribe and the state had co-funded. He noted that MPOs were not supposed to be listed in the STIP.

Co-Chair Stedman asked for a definition of MPO.

Commissioner Anderson replied that "MPO" is the Metropolitan Planning Organizations, which included Anchorage, Fairbanks, and Mat-Su.

[9:32:08 AM](#)

Commissioner Anderson considered slide 6, "May 2023 Decision Point":

- May - July 2023: New STIP Development
  - Commissioner's office involvement
  - 30 person DOT&PF Multidisciplinary Team
  - Focus on
    - Technology
    - Engagement
    - Fiscal Constraint
    - Project Delivery
    - Programming & Planning

Commissioner Anderson thought it was important to note that when building a STIP, there were many disciplines involved.

[9:33:36 AM](#)

Commissioner Anderson displayed slide 7, "New STIP Platform: Shift to Modern Tools (timeline reference)":

- Open-Source Platform
  - Cloud based
  - Multiple users
  - Intuitive
  - Glitches worked out

- New tools for public and staff
  - Tables
  - Dashboards
  - Spreadsheets
  - Workflow

Public could select projects based on region, investment area, legislative district or type of project.

Staff tools to link to project delivery, track cost increases, Legislative Authority.

Modernizing internal process to provide timely, accurate and transparent communication with the public

[9:34:57 AM](#)

Senator Bishop went back to his question from the previous slide regarding public comment. He asked whether public comment was now all online, or whether it was in a public setting.

Commissioner Anderson that there was an online portal, newspaper, radio, and social media outreach. He said people wrote letters and there were a handful of public meetings. He stated that there had not been significant public comment in person.

[9:36:16 AM](#)

Commissioner Anderson highlighted slide 8, " 45 Day Public Notice (July 20 - Sept. 3)":

STIP Outreach:

- Publication in statewide newspapers
- Statewide STIP mailer
- Public meeting

Targeted outreach:

- Presentations to civic, trade groups
- Direct email to cities, boroughs, tribes
- Direct email to transportation related NGOs (Non-Governmental Organizations)
- Direct contact with underserved communities
- MPOs
- Joint House & Senate Transportation Committee Presentation

Mass communication:

- Press releases/earned media
- Social media

- Radio PSAs to rural Alaska

[9:37:25 AM](#)

Commissioner Anderson looked at slide 9, "Consultations After Public Notice (Sept. 4 - Jan.)":

- Aug. 2023, Dec. 2023, Jan. 2024: MPO Consultations
- Aug. 2023 - Jan. 2024: FHWA Consultations
  - FHWA STIP position in Alaska still vacant
  - FHWA and MPO Exec Directors meeting without State involvement
  - FHWA guidance lacked clarity
- Sept. 4 - Nov. 2023: Resolution of 1,200 Public Comments
- Sept. 15, 2023: FHWA Approves STIP extension
- Nov. 2023: FHWA requests an updated STIP draft
- Jan. 11, 2024: FHWA requests a "soft submittal" to give feedback
- Jan. 18, 2024: FHWA provides no feedback
- Jan. 18, 2024: Alaska DOT&PF Decision to Submit Formally

[9:40:01 AM](#)

Co-Chair Hoffman asked about getting a copy of radio communications to rural Alaska and any other mass communication the department may have had with rural areas of the state.

[9:40:26 AM](#)

Commissioner Anderson addressed slide 10, " Resolution of Public Comments":

Project Comments: 1200+

- 36% on West Susitna
- 11% mention Manh Cho
- 6% on Sterling Hwy/Anchor Point

Other Comments of note:

- Mat-Su Area Roads
- Anchorage Area Roads
- Kenai Area Roads
- Southeast Area Roads
- AMHS projects
- Cascade Point

- Juneau North Douglas Crossing
- Cooper Landing Bypass
- Glenn Hwy Highland Interchange

Public Comments:

- 909 Individual
- 12 Legislative
- 59 Local Government/Tribes
- 67 Non-Governmental Organizations
- 86% Alaska based comments
- 14% Out of State comments

Commissioner Anderson explained that the new platform could separate state and out-of-state comments.

[9:41:04 AM](#)

Senator Kiehl asked whether the STIP was the 413 paged document on the department's website.

Commissioner Anderson replied that that was the STIP document; a supplemental 1,100-page document included public engagement.

Senator Kiehl referenced a joint legislative transportation hearing in which he had inquired about tribal transportation plans. He said that the 413 paged STIP document did not state that they were listed by reference, only that they exist, and the state is compliant. He referenced the finding that stated that tribal transportation plans were not included in the STIP.

Commissioner Anderson explained that Tribal Transportation Improvement Programs (TIPS) were a requirement that had to be adopted by reference. He said that the department would incorporate all the TIPS projects into the STIP.

Senator Kiehl requested that someone from the department assist him in finding the information on the STIP platform.

[9:43:14 AM](#)

Senator Bishop understood that the department was working to make sure the current STIP problem never happened again.

Commissioner Anderson answered affirmatively.

Senator Bishop asked whether the department had researched the growth in public comment.

Commissioner Anderson relayed that he liked to think that DOT had an excellent communications team and that technological improvements had made the public comment process easier for Alaskans.

[9:45:40 AM](#)

Co-Chair Olson looked at the top of slide 10 and the 36 percent of public comments pertaining to the West Susitna project. He asked for the breakdown of the comments in favor versus against.

Commissioner Anderson relayed that most of the comments were against the project. He added that there were some comments for the projects.

Co-Chair Olson asked whether the department still planned on going forward with the project despite the mostly negative comments. He thought the Native corporations that were in the area were not supportive of the project and were strongly opposed. He said that he had seen no proof to the assertion that there were resources in the area that would be economically viable.

Commissioner Anderson relayed that the comment DOT had received from FHWA and the project was regarding not having a bridge in the scope. He said that the department intended to go ahead with the project. In 2016, DOT had done a reconnaissance study, which included information about the benefits of the road. The study addressed mineral extraction and energy.

[9:49:20 AM](#)

Senator Wilson added that the project was supported by the Matanuska-Susitna Borough.

Commissioner Anderson answered affirmatively.

Senator Wilson asked for a breakdown in the demographics of the public comments.

[9:49:48 AM](#)

Senator Kiehl was familiar with the \$400 million project that included the bridge, but that the bridge was in the STIP as a \$73 million project. He thought there was a crossing project in his district that had municipal support and a congressional appropriation, which was listed at \$270 million in the STIP. He asked how the decision was made to list the projects so differently, with one at a fraction of its cost and one at its total maximum cost.

Commissioner Anderson thought that the West Susitna project included a public road that would open the area to the public. He said the road would be a basic gravel road, which would keep costs down, and would provide access to land west of the Susitna.

Co-Chair Stedman referenced the tribal road program, and asked about the dollar amounts by region.

Commissioner Anderson agreed to provide the information.

[9:52:13 AM](#)

Commissioner Anderson advanced to slide 11, "Fiscal Constraint/Project Delivery Corrections":

Existing Challenges

- Over \$3B programmed
- Project Estimates & Schedules
- Inflation and Large Projects
- Legacy Projects

New Challenges

- New Interpretations
- Fiscal Constraint - Overprogramming
- NHS routes/MPO TIPS
- Amendments and Administrative Modifications

Commissioner Anderson expounded on the existing and new challenges faced by the department.

[9:57:57 AM](#)

Co-Chair Hoffman asked for more specific information about the fiscal constraints and overprogramming faced by the department.

Commissioner Anderson explained that programs were listed by fund types and portions of money were applied to certain

programs. He said projects were bound by the money obligated. He said that funding flexibility had become constrained in 2024.

[9:59:30 AM](#)

Senator Kiehl did not follow the comments regarding the MPOs. He thought it sounded as though there was an issue with how the projects were listed. He asked whether the problem at the federal level was about how the projects were listed, or whether it was a disagreement about the size of the projects.

Commissioner Anderson deferred to Mr. Lynch.

[10:00:33 AM](#)

SEAN LYNCH, CHIEF ASSISTANT ATTORNEY GENERAL, TRANSPORTATION SECTION, DEPARTMENT OF LAW, explained that the concern on the federal level was how the MPOs were listed and, potentially, how they were designed. He said that the federal government had not put their concerns in writing. He thought that the institutional culture for both agencies was similar. He said that the STIP would be resubmitted this week and in six months policies and procedures would be created that would invite coordination with all MPOs. He stated that all the projects that were listed to be removed were projects that had traditionally been included in the STIP. He said that the corrective action expected by DOT was to put federal land access projects, tribal transportation projects, and MPOs outside of the STIP and incorporated by reference. He relayed that the details of the work going forward to fix the problem with STIP funding was still being worked out.

[10:04:22 AM](#)

Senator Kiehl had thought the cooperative approach and splitting of influence on how things were designed in boroughs had been settled. He asked whether the approach of working out which projects made it on the STIP list had changed recently.

Mr. Lynch could not address any specific change. He said that the STIP had been submitted to the federal government in the usual manner. He did not know why it had been reported back as problematic. He discussed the MPO process.

10:07:07 AM

Co-Chair Stedman asked for a run-down of the Cooper Landing Project.

Commissioner Anderson explained that the Cooper Landing Bypass Project had an original estimated cost in the range of \$350 million, which was increasing incrementally and was approximately \$800 million presently. He said that it would be 2027 before the bridge was completed. He said that project completion had been pushed out to 2029. He stated that the design team was asked to look at "extras" to simplify the project to get the road open as soon as possible.

10:11:03 AM

Co-Chair Stedman wanted to put a finer point on the subject. He explained that if the entire project was included in the STIP submission, many other projects would have to be removed. He said that the committee needed to focus on the money coming in and the timing of that funding, particularly for upcoming Capital Budget discussions.

Commissioner Anderson relayed that there were no planned expenditures for Cooper Landing in the STIP between 2024 and 2027.

Co-Chair Stedman asked whether he could assume that it was being removed from the STIP and would be addressed in a future amendment or in the 2027-2028 STIP.

Commissioner Anderson answered affirmatively.

Co-Chair Stedman asked whether there were any other major projects that the commissioner could recall that would be pulled out of the STIP so that FHWA would approve the resubmittal on March 1, 2024.

Commissioner Anderson relayed that he could bring forward a list of projects. He thought there were projects on the Parks Highway, Richardson Highway, and the Sterling Highway. He stressed that the projects were "across the board." He related that he had asked that projects be broken up into smaller segments that required less initial funding.

10:14:02 AM

Co-Chair Stedman thought it would be helpful for the DOT subcommittee and capital budget to have the lists assembled very soon.

10:14:59 AM

Co-Chair Hoffman stressed that it was critical that the information be made available quickly. He asked whether there were any projects in the resubmittal that would affect the governor's current list on the STIP.

Commissioner Anderson agreed to provide the list.

Co-Chair Hoffman asked when he could expect the list.

Commissioner Anderson replied that conversation had been happening that would hopefully result in the list being available soon.

Co-Chair Hoffman understood that the resubmittal would have to go through a 30-day public hearing process.

Commissioner Anderson relayed that the resubmittal went straight to the FHWA for 30-day review, bypassing public comment.

Co-Chair Hoffman surmised that the public would not have the opportunity to comment on substantial changes that might be made by the department in the resubmittal.

Commissioner Anderson responded that DOT always took comments but that there was not another public comment period for this resubmittal.

Co-Chair Hoffman understood that DOT would take additional public comments into consideration.

Commissioner Anderson replied in the affirmative.

10:17:18 AM

Senator Wilson asked if any project partnerships were at risk due to certain projects being removed from the STIP.

Commissioner Anderson responded that fiscal constraints had impacted projects across the board.

Senator Wilson expressed concern about state funded projects that had been moved to the STIP and whether the projects would lose momentum going forward.

Commissioner Anderson thought the primary impacts were on the national highway system routes. He recognized the importance of the department's partnerships with municipalities.

[10:19:33 AM](#)

Senator Bishop asked about the eventuality of the state having to step in with General Fund dollars. He asked about the treasury being made whole should the federal dollars be realized.

Commissioner Anderson relayed that he had not asked the question. He said that expenses were eligible after the obligation approvals were received; the state could be made whole after authorities had been received.

Senator Bishop thought he would go further into the issue in subcommittee.

Co-Chair Stedman mentioned the subcommittee process and requested that future presentations concentrate solely on the STIP and cash flow.

[10:21:33 AM](#)

Senator Wilson wondered whether DOT had a definition of "consultation and coordination", so that all parties involved were speaking the same language.

Commissioner Anderson replied that the next few slides would speak to Senator Wilson's question.

Co-Chair Stedman requested that the department discuss Tier 2 and Tier 3 as well.

[10:22:42 AM](#)

Commissioner Anderson looked at slide 12, "Formal STIP Submittal and Federal Findings":

Corrective Actions - Tier 1

- Tier 1, Finding 1: MPO and Other Transportation Improvement Programs
- Tier 1, Finding 2: Project Groupings
- Tier 1, Finding 3: Fiscal Constraint
- Tier 1, Finding 4: STIP Amendment and Modifications Corrective action
- Tier 1, Finding 5: Self Certifications, Federal Findings, and Federal Approvals

Impacts/Issues

- New interpretations of federal code
- True Fiscal Constraint
- Discretionary grant estimating
- MVP (Mat-Su Valley Planning) MPO
- MPO Boundaries

Commissioner Anderson discussed the findings. He addressed Finding 4 and stated that an exception could not be made to the threshold rules. He addressed the table on the slide, which showed STIP Revision Thresholds. He explained that Finding 5 was about the conformity freeze in Fairbanks. He stated that if there was a project that could be exempt from the conformity freeze if it did not add to air pollution the project could be exempted through a process.

[10:26:39 AM](#)

Co-Chair Stedman noted that Commissioner Anderson had not touched on advance construction, which was a concern of the committee. He mentioned previous concerns about advance funding for construction and the creeping increase of that funding. He understood that the number had gone up and was close to double the amount.

Commissioner Anderson acknowledged the increase. He said that the federal government would reimburse the advance construction dollars. He said the current number was \$450 million and the expenses were constantly converted. He believed the advance funding was an important tool in managing the overall cash flow for project delivery.

[10:29:29 AM](#)

Co-Chair Stedman asked, from a policy perspective, whether there should be bookends on the process regarding the

dollars expended on advance construction. He reiterated that the funding for advance construction was increasing regularly and without policy discussion. He wondered how much flexibility the department was allowed.

Commissioner Anderson considered that there was a lot of flexibility in how the department wanted to plan. He thought that \$450 million was a good cap for the department.

Co-Chair Stedman asked how many years in advance the department could make funding changes.

Commissioner Anderson did not think there was a rule about the timeline.

[10:31:53 AM](#)

Commissioner Anderson showed slide 13, "Impacts of New Federal Interpretations":

- Loss of Flexibility
- New interpretations of federal code
- True Fiscal Constraint
- Discretionary grant estimating
- MVP MPO
- MPO Boundaries

[10:32:12 AM](#)

Commissioner Anderson referenced slide 14, "Moving Forward: Tier 2&3":

Action Areas:

- New DOT&PF Policy Addressing:
  - DOT&PF/MPO Coordination
  - TIP Management - Consistency
  - Performance Targets
- DOT&PF Dedicated Team focused on MPOs
- Tackle State of Alaska - MPO Planning Authority Conflict
- AMATS Transportation Management Area (TAM) Certification Review

Commissioner Anderson relayed that within the Tier 2 aspects of the planning findings the federal government had stipulated that:

"the following federal actions must be resolved prior to Fed. Highway and FTA approval of the first STIP amendment or within 6 months of FHWA and FTA approval of the STIP, whichever comes first."

Commissioner Anderson added that the department would be focused on those stipulations over the next six months. He stated that the MPOs and public involvement and consultations would be reexamined with a focus on coordination of interested parties. STIP management in coordination with the TIPS within the MPO would also be investigated for consistency. He said that further focus on performance targets would also be a priority. He shared that there would be a dedicated team working on the MPOs and coordinating with the department. He related that planning authority would be discussed. He

Co-Chair Stedman asked Commissioner Anderson to discuss toll credits and they related to the AMHS.

[10:35:50 AM](#)

Commissioner Anderson referenced toll credits and STIP comments with concern about how DOT had shown toll credits on projects and the terminology that had been used. He recounted looking at the State of Washington for formatting design. He said that the plan was being reviewed and the department was waiting for approval.

Co-Chair Stedman asked whether the approval was in the time frame as that of the STIP.

Commissioner Anderson responded that there was not a timeframe for the review. He believed that the federal government would be responsive.

Co-Chair Stedman stressed that receiving the information in a timely manner would be necessary for a smooth budgetary process.

[10:37:12 AM](#)

Senator Bishop asked how Commissioner Anderson felt about Tier 2 actions and whether he thought they were achievable in the time frame allowed.

Commissioner Anderson replied in the affirmative. He added that it would take a lot of resources and work.

Co-Chair Stedman asked whether the necessary work and resources would impact the Operating Budget.

Commissioner Anderson thought Co-Chair Stedman had posed a good question. He noted that the department had been so focused on completing the STIP it had not examined where the resources would be drawn from. From his perspective, the work would be internally resourced due to the need for expertise.

Co-Chair Stedman suggested that DOTs subcommittee presentation address the resources necessary to resubmit a successful application.

[10:39:08 AM](#)

Co-Chair Hoffman asked Commissioner Anderson to address what may be impacted by the federal aviation program.

Commissioner Anderson relayed that the aviation program was separate from the STIP, and no impacts were anticipated.

[10:40:01 AM](#)

Commissioner Anderson turned to slide 15, " Moving Forward - Rolling STIP":

Rolling STIP

Instead of every three years, it's an ongoing iterative process, building the capacity inside the department and allowing us to create greater layers of understanding with the public.

States with rolling (annual) STIPs:

- Washington: [wsdot.wa.gov/business-wsdot/support-local-programs/deliveringyourproject/statewidetransportation-improvement-program-stip](http://wsdot.wa.gov/business-wsdot/support-local-programs/deliveringyourproject/statewidetransportation-improvement-program-stip)
- Montana: [www.mdt.mt.gov/pubinvolve/stip.aspx](http://www.mdt.mt.gov/pubinvolve/stip.aspx)
- California: [catc.ca.gov/programs/state-transportation-improvement-program](http://catc.ca.gov/programs/state-transportation-improvement-program)
- Nebraska: [dot.nebraska.gov/media/21hc2mkm/stip-pd-guidelines.pdf](http://dot.nebraska.gov/media/21hc2mkm/stip-pd-guidelines.pdf)
- Minnesota: [www.dot.state.mn.us/planning/program/stip.html](http://www.dot.state.mn.us/planning/program/stip.html)

•Texas (every two years)  
:www.txdot.gov/projects/planning/stip.html

[10:41:10 AM](#)

Senator Wilson asked about the percentage of completion to meet the resubmission deadline.

Commissioner Anderson estimated that the percentage was approximately 90 percent.

[10:41:48 AM](#)

Senator Kiehl was unfamiliar with rolling STIPs in other states. He asked whether reauthorizing a two year plan every year would bring the state to this same position.

Commissioner Anderson replied in the negative. He said if a new STIP on a two-year cycle would remove uncertainty when obligating projects.

Senator Kiehl understood it would be a four-year plan every second year.

Commissioner Anderson thanked the committee for the opportunity to present. He recognized that the situation was not ideal, and the department took it very seriously.

[10:43:35 AM](#)

AT EASE

[10:44:10 AM](#)

RECONVENED

Co-Chair Stedman asked about the amendment due at the end of March. He asked whether DOT would fully extend the STIP or leave room for adjustments of the MPO process.

Commissioner Anderson said that if the new STIP were approved through 2027, the department would be in discussions with the FHWA on how it was supposed to manage funds dedicated to the national highway system. He said that amendments could be needed to fund some projects.

Commissioner Anderson showed slide 16, "Thank You. Questions?":

Ryan Anderson, P.E. Commissioner  
dot.commissioner@alaska.gov 907-465-3900

[10:46:21 AM](#)

Co-Chair Stedman discussed housekeeping. He noted that the meeting the following morning would focus on the Operating Budget and how the state would meet its financial obligations.

#

ADJOURNMENT

[10:48:21 AM](#)

The meeting was adjourned at 10:48 a.m.