

H B

295

COMMITTEE REPORT

5/12

HOUSE

FINANCE

FURTHER:

(9)

3/24/83

Date: 5-11-83

Mr. Speaker:

The Committee on TRANSPORTATION has had HB 295

An Act making a special appropriation to the Alaska Toll Bridge and Causeway Authority for the design and construction of Knik and Turnagain Arm Causeways; and providing for an effective date. "

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 295 (7.1.83) same title
- new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached

referred to the Finance *already referred to Finance* Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Charles Stenholm Do Pass

Scott Cook

Michael Phelan

Bill Wicks

Mike Johannessen No Rec.

Mike Wainwright No Rec.

Mr. Miller No Rec.

Scott Cook
CHAIRMAN

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION
and PUBLIC FACILITIES

DEPUTY COMMISSIONER

Bill Sheffield, Governor

4111 AVIATION AVENUE, POUCH 6900
ANCHORAGE 99502 (TELEX 25-185)
PHONE: 266-1440

May 3, 1983

The Honorable Bette Cato
Representative
Alaska State Legislature
Pouch V
Juneau, AK 99811

MAY 11 1983

Dear Representative Cato:

The following analysis gives a breakdown of the costs associated with the Knik Arm Crossing project. The Department anticipates that all of appropriated funds (\$5.5 million) will be required to complete the project. The amount of funding actually spent or from the project account as of March 23, 1983 was \$931,445.

	<u>Total</u>	<u>Item Allocation</u>	<u>Amount spent as of 3/23/81</u>
Amount Appropriated	\$5,500,000		
Funding Allocation	\$5,500,000		
1. Overhead, RSA & Contingency	\$ 600,000		
a) DOT&PF Overhead		\$ 86,575	\$ 86,575
b) RSA with University of Alaska for Geotechnical Analysis		70,000	-0-
c) Contingency		<u>443,425</u>	<u>-0-</u>
Sub-Total	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 86,575</u>
2. Design & Construction Division			
Authorization	\$4,900,000		
a) Consultant Work Plan		\$ 30,000	\$ 30,000
b) Consultant Contract for EIS and Preliminary Design (thru Invoice #5)		4,200,000	330,763
c) Department Personnel, Expenses and Other Contracts		670,000	484,107*
Sub-Total	<u>\$4,900,000</u>	<u>\$4,900,000</u>	<u>\$844,870</u>
Total	<u>\$5,500,000</u>	<u>\$5,500,000</u>	<u>\$931,445</u>

* Of this amount approximately \$208,431 was for contractual services to provide aerial photography.

May 3, 1983

Our current consultant contract with Engineering Manpower Services/Sverdrup and Parcel may be summarized as follows:

	<u>Cost Allowance</u>
Cycle 1 - Corridor Identification	\$ 1,300,000.00
Cycle 2 - Environmental Investigation	2,400,000.00
Cycle 3 - Preliminary Design	<u>500,000.00</u>
	\$ 4,200,000.00

Cycles 1 and 2 involve determining specific location and alignments for the crossing and highway approaches; and obtaining an approved Environmental Impact Statement which is necessary for obtaining required construction permits.

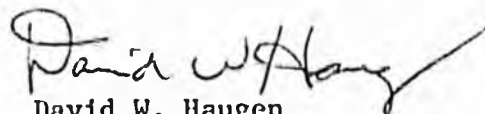
In February, the consultant was directed to temporarily suspend the project work plan, and to focus all efforts on an evaluation of the economics of the crossing. The consultant has completed that evaluation, and its results are included in a report titled, "Economic Feasibility" (April 15, 1983), in which costs, benefits, and environmental impacts are estimated based on conceptual design of a representative alignment. The report concludes that building the Knik Arm Crossing and approach roads is economically feasible.

In light of the report, the Department has directed the consultant to proceed with Cycles 1 and 2 (Corridor Identification and Environmental Investigation) of the original work program. Cycle 3 (Preliminary Design) will be modified to include bid documents for private financing, design, construction and operation. Negotiations for the contract changes are underway and will take several months to complete.

Although some Cycle 3 tasks may be deleted, the requirements for bid documents are essentially an increase in work effort. Additional costs which cannot be absorbed through changes to the current contract will be funded from the contingency allocation of \$443,425.00.

If you have additional questions on this matter, please contact me.

Sincerely,



David W. Haugen
Deputy Commissioner
Central Region

WRS/DM/RM/JH/ey/bpa

cc: Dick Armstrong, Director
Design and Construction, DOT&PF

Jerry Hamel, Project Manager
DOT&PF

\$631 million Knik crossing plan unveiled

4-16-83

by Bill White
Times Juneau Bureau

Juneau — Gov. Bill Sheffield Friday unveiled a \$631 million proposal for a 3-mile bridge across Knik Arm linking Anchorage to the Matanuska and Susitna valleys.

Sheffield gave the go-ahead for the state to explore building the long-awaited crossing with a blend of state and federal money.

Dan Casey, commissioner of transportation, said the state will use a \$5.5 million appropriation made two years ago to conduct engineering — including final route selection — and environmental studies for the project over the next year.

If the project is found to be viable, bids could be let as early as next year with actual construction between 1986 and 1989, Casey said.

The proposal drew the tentative endorsements of Senate President Jay Kerttula, D-Palmer, and House Speaker Joe Hayes, R-Anchorage. The two lawmakers have backed the

crossing for decades. This year they sponsored identical legislation that would take a different approach to building the crossing.

But, as Kerttula said, "If there's a better mousetrap, I will support it."

The proposal is contained in a 73-page report by EMPS-Sverdrup on the economic feasibility of the project.

The engineering firm looked at 11 crossings of Knik Arm — with accesses to the bridge ranging from downtown Anchorage to Eagle River — to come up with the \$631 million proposal that appears to be the best "concept."

The preferred route for the bridge calls for a 43.7-mile highway to be built starting at the junction of the Glenn Highway and Boniface Parkway, and connecting north to the Parks Highway near Houston.

A four-lane, double-deck bridge would cross Knik Arm five miles north of downtown Anchorage.

See Governor, page A-4

Governor reveals bridge plan

Continued from page A-1

The bridge itself would cost about \$339 million and would be built by a private firm, Casey said. That firm would make back its construction cost by charging a toll of about \$2 per car, he said. Once the builder has recovered its investment, the state would own the bridge, under the proposal.

The state would provide the financing for the highway and bridge approaches, estimated at \$180 million. Another \$64 million

would be needed to relocate facilities at Elmendorf Air Force Base, including an ammunition dump. Inflation would bring the project cost up to about \$631 million.

"This approach is very simple," Casey said, "and it's the most cost effective." The options examined included tunneling under the arm, building a causeway and building a suspension bridge.

The bridge should be able to withstand intense pressure from tremendous tidal actions, siltation and ice buildup, Casey said.

EMPS-Sverdrup estimated the Point Mackenzie area would have about 9,000 households 11 years after the crossing is completed. The figure would double within 30 years, the study said.

About 29,000 vehicles would cross the bridge daily in the year 2001 and an estimated 46,000 a day would cross by 2030.

The bridge would cut driving time from Point Mackenzie to downtown Anchorage from about two hours to about 30 minutes, according to the study.