

**ANCHORAGE METROPOLITAN AREA TRANSPORTATION SOLUTIONS
TECHNICAL ADVISORY COMMITTEE MEETING
CONTINUATION**

**Planning and Development Center
Main Conference Room
4700 Elmore Road
Anchorage, Alaska**

**July 20, 2011
1:00 p.m.**

Technical Advisory Committee members present:

Name	Representing
Jennifer Witt	Alaska Dept. of Transportation & Public Facilities (DOT&PF), Central Region, Planning
Kim Rice	DOT&PF, Central Region
Cindy Heil	Alaska Dept. of Environmental Conservation (DEC)
Steve Morris	MOA/Dept. of Health & Human Services (DHHS)
Emily Potter	MOA/Port of Anchorage
Stephanie Mormilo	MOA/Traffic Division
Jerry Weaver	MOA/Community Development Department (CDD)
Jerry Hansen	MOA/Project Management & Engineering (PM&E)
Lance Wilber	MOA/Public Transportation Department (PTD)

Also in attendance

Name	Representing
Craig Lyon	MOA/CDD
Vivian Underwood	MOA/CDD
Jon Spring	MOA Consultant
Jody Karcz	MOA/PTD
Anne Brooks	Brooks and Associates
Aaron Jongenelen	DOT&PF
Bart Rudolph	DOT&PF
Walt Parker	ACC
Brad Swartz	Matsu Borough (by phone)
Jamie Kenworthy	

1. CALL TO ORDER

CHAIR MORMILO called the meeting to order at 1:03 p.m. All Technical Advisory Committee members were present and Jerry Weaver arrived at 1:15pm. Absent were Lois Epstein and Bruce Carr. A quorum was established.

2. PUBLIC INVOLVEMENT ANNOUNCEMENT

MR. LYON encouraged public involvement in this meeting of the AMATS Technical Advisory Committee. He explained staff would first make their presentation, followed by any comments from Committee members, and the floor would then be open to public comment.

3. APPROVAL OF AGENDA

MS. HEIL moved to approve the agenda. MS. WITT seconded. *Hearing no objections, the agenda was approved unanimously.*

4. BUSINESS ITEMS

a. 2035 MTP Update

MR. KATSION, MTP consulting team project manager with Kittelson & Associates stated that the committee comments were gathered and a response summary was developed. Based on this input, three different revenue forecasts were examined. The goal is to gain agreement from the TAC and forward this onto the PC next week in order to establish revenue sources and funding levels for the MTP.

MR. Katsion provided an overview and analysis on the revenue sources and the assumptions. Earlier, the project costs were discussed; these estimates are based on all the existing plans, the adopted plans that have been approved since the LRTP, and projects identified during the workshops. As a result, an extensive project list was created; it is not very likely enough funding is available for all projects. To help refine this project list, we will conduct a preliminary screening and then present this again for your review. Mr. Bart Rudolph presented the revenue forecasts.

MR. RUDOLPH quickly recapped the previous forecast changes made since the last TAC meeting. The surface rehabilitation projects and funding were placed in the maintenance and operations category which reduced the amount of local and federal funds available for road construction projects by \$67.1M and \$74.1M respectively. The AMATS allocation was reduced to reflect the actual draft 2012-2015 STIP. MR. Rudolph presented the methodology and calculations used to develop the new AMATS allocation. As a result, reduced funding levels are represented in all 3 scenarios.

Three revenue scenarios were developed based on the TAC's earlier input; due to the changing local economic climate, the lack of historic data for trend analysis, the reduced amount of stable revenue sources, and an unfunded Transportation bill, the amount of money from discretionary FHWA dollars for local roads projects is unpredictable. Items

revised in the funding scenarios (high, low, and medium) include the CIP data for MOA roads and bike/ped projects, the Alaska Transportation Fund percentage, the discretionary funding earmarks, and grant revenue sources. For the Alaska Transportation Fund, we assumed a \$350M initial investment with a 5% return on that investment - depending on the high, low or medium scenario formula, 0%, 25%, or 40% of that return on investment is distributed to the AMATS area.

MR. RUDOLPH explained the high scenario alternative. The CIP from 2005 to 2016 average was retained; we also modified the CIP slightly to reflect changes in the future years. The Alaska Transportation Fund assumes 40% of the funds available would come to the AMATS area based on population. In addition, this scenario assumes that AMATS would receive the amount of funds equivalent to what was received from that last Economic Stimulus and SAFETEA-LU earmarks over the life of the MTP.

In the medium scenario, the 2005 to 2016 CIP remains the same as the high scenario. The Alaska Transportation Fund assumes 25% of the funds available would come to the AMATS area based on formula funding percentage of federal funds to AMATS and the Federal Other category would assume no Economic Stimulus or earmarks over the life of the MTP.

In the low scenario option, the CIP was only averaged the 2011 to 2016 bond amounts that went towards MTP projects. It assumed that the Alaska Transportation Fund was not established and no Economic Stimulus or earmarks were distributed over the life of the MTP.

A discussion of the differences of the three scenarios followed. Overall, the entire funding projection difference is \$200M between each scenario. In spite of the projected revenues, AMATS still has a funding shortfall of \$918M, \$1.1B or \$1.4B depending on the scenario.

MR. KATSION noted that the total of the projects was approximately \$3.5B.

Mr. Weaver arrived at 1:15 pm.

MR. RUDOLPH stated that we have less money anticipated than we have projects.

MR. MORRIS asked about the maintenance cuts of 15%. MR. RUDOLPH stated that 15% came out of a combination of state and federal funds in the AMATS allocation and described the difference in the CIP listing.

MR. MORRIS explained what he was struggling with was 15% of the money that is spent on maintenance projects. If you've taken that out of the revenue stream— where did this come out of, the State or the Federal funds? MR. RUDOLPH stated Federal. It's all Federal for the AMATS allocation with a small state match.

MR. MORRIS asked if this was subtracted from the anticipated revenue strain. MR. RUDOLPH replied yes; when the maintenance and operations section is completed that will be added in. MR. MORRIS noted that 15% is set by AMATS Policy. MR. RUDOLPH stated it was actually 15-20%. MR. MORRIS commented that is estimated low. MR. RUDOLPH agreed.

MS. WITT asked for clarification on the bonds. It appears that the State funding remains the same along with the amount of general obligation bonds and annual general fund (GF) appropriations to the City and the State for the MTP projects for all three scenarios. MR. RUDOLPH agreed. MS. WITT noted the only change is the assumption for the Alaska Transportation Fund. At this point, since the fund is not yet established, no funding assumptions can be developed. Nevertheless, it's a small amount compared to the other state funding assumptions.

MR. RUDOLPH briefly reviewed the scenarios again.

MS. WITT asked about the resulting shortfall. MR. RUDOLPH explained that this shortfall resulted from the railroad projects; only one of the railroad projects remains. The others are found in the illustrative list.

MR. KATSION mentioned the funding assumptions for the railroad. MR. RUDOLPH agreed that the TAC should discuss this. In the current LRTP, the grade separated earmarks are presumed to be funded through dedicated earmarks; these "went away" and we anticipate funding of only \$1M a year over the course of the MTP, which is not enough to support the grade separations. Other alternatives that may be considered include using our roadway revenue to help fund grade separated projects.

MS. WITT asked if he was referring to the one at C Street. Yes replied MR. RUDOLPH. MS. WITT asked for the project cost. MR. RUDOLPH replied \$91,502,010; based on ROW acquisition of \$42M.

MS. KARZCZ asked if the numbers include Transit as well. MR. RUDOLPH responded these numbers do not include Transit.

MS. WITT confirmed that a recommendation to the PC regarding the preferred scenario is required. MR. RUDOLPH answered that was correct - which scenario or combination of scenarios.

MS. HEIL proposed that the TAC advance the methodology and assumptions and let the PC decide on the three scenarios. MS. WITT commented that a recommendation should be made.

MS. WITT asked if the best approach was to make a recommendation based on the funding category or other criteria. MR. RUDOLPH explained that the TAC can examine the three variables together or separately. The first being the CIP, do we want to average over 2005-2016 or averaged from 2011-2016 with the difference of \$181M vs. \$122.5M, the second being the Transportation Fund and finally, the Federal Other category.

The TAC reviewed each CIP category, plus criteria for the Bike/Ped and Trails. MR. RUDOLPH stated these are linked and explained how the CIP revenues are projected using the 2005-2016 or the 2011-2016. CHAIR MORMILO asked if both CIP's are that way, and noted that it's just the lower numbers are averaged for 2011-2016; there is more spending on MTP projects for 2005-2010 than anticipated in 2011-2016. That is correct replied MR. RUDOLPH.

MR. MORRIS asked if the growth is accounted for in the CPI between 2005-2016. MR. RUDOLPH replied no. For the CIP, the STIP, and the TIP we kept those numbers constant and we didn't start inflating those until later. MR. MORRIS commented that 2005 dollars are worth more. MR. RUDOLPH replied "yes and no." MR. MORRIS stated that the estimate for the CIP is a little low because 2016 dollars are not assumed.

CHAIR MORMILO pointed out that the high and the medium scenarios have the same numbers for the CIP.

MS. WITT understood that the forecast for the CIP for the next six years is more conservative than previous years, yet a lower future threshold is assumed. However, we could assume a fluctuation over time and rely on the average return instead. MR. HANSEN commented it's a wager. It's all going to be dependent on who the mayor is and the political environment. In the 2005-2010 CIP there was a fair amount of projects but now it's gone down dramatically. He stated the low scenario should be recommended.

MS. WITT noted the difference in the 22-25 years of the plan; the average would be \$4.9M per year out of a \$20-40M bond as opposed to \$7.3M, a 50% difference. MR. HANSEN reported he's hearing \$30-40M dollars for the next 5 years. He has meetings with the Mayor and the talk is low twenties; the bonds are probably going to be low. Bonds must be paid back in taxes on ARDSA, so these will be kept as low as possible; most of our projects will be for local roads, not higher class roads and drainage.

MS. WITT asked about what is planned beyond 2016. MR. HANSEN replied that even if the decision is to raise it, we're looking at more of the local classified roads.

CHAIR MORMILO stated that low is the better and when the update comes in four years, we'll have a better feel for whether we're on the upswing again or whether we're staying steady. MR. HANSEN noted that was a good point.

MR. HANSEN motioned that we use both scenarios for the local roads. MR MORRIS seconded. MS. WITT stated she would defer to the City on this and their recommendations. Given the fact that this is a 25-year forecast, a conservative assumption combined with an optimistic average is reasonable. We'll look at it again in four years.

MR. SPRING commented the low estimate has two affects on the roads and trails. Part of the CIP was allocated for sidewalk projects and there was heavy emphasis on sidewalks in the 2005-13; this decision not only affects roads but also greatly reduces the amount of money available for trails, which means more cuts to pedestrian, bike and trail projects. These projects are now moved into the illustrative section.

MR. HANSEN responded that the CIP for the next 5-6 years has about \$350,000 for ADA Improvements, which could be sidewalks or anything else not specifically trails and there is \$100,000 for other projects.

CHAIR MORMILO noted the continuing decreased funding trend. MR. HANSEN explained in the 2005 CIP there was \$1.5M per year and now it is \$350,000. Frankly with the cuts, it is unlikely \$350 K will be included in the 2012 bond package.

MS. WITT noted the small program contributions of the MTP.

CHAIR MORMILO asked if there were any questions from the public and the committee, or any objections to the motion. ***Hearing no objections, the lowest estimate of the CIP was approved unanimously.***

CHAIR MORMILO noted the next estimate was the Alaska Transportation Fund. MR. RUDOLPH commented this is State funding and the high scenario shows a 40% return investment based on population. The medium return is 25% based on what we typically receive through AMATS formula funding and the low estimate assumes no Alaska Transportation Fund.

MR. HANSEN asked if we typically get 27%. MR. RUDOLPH replied typically 27-28%.

MS. WITT commented there is a lot of flexibility for the Alaska Transportation Fund as it doesn't exist yet. MR. HANSEN recommended the 25% and suggested that it can be raised to 27-28%. MR. RUDOLPH replied that would be easy.

MR. HANSEN motioned the 28% average. MR. MORRIS seconded. MR. MORRIS asked if the Alaska Transportation Fund is the intent for statewide distribution or is this big ticket fund. MR. RUDOLPH mentioned that a statewide distribution is anticipated.

CHAIR MORMILO asked when the Transportation Fund would be implemented. MR. RUDOLPH explained that it is expected to start in 2015 with the return investment beginning in 2016. MS. WITT noted it was slated to be heard this next legislative session. CHAIR MORMILO asked if there was any further comment from the committee and the public.

MS. BROOKS suggested that if the 28% is chosen that AMATS provide advocacy and explain the impact on the AMATS ability to fund transportation projects. MS. WITT noted it's not only the Transportation Fund, but it's the annual appropriation of funding to AMATS. It's the largest portion of funding for AMATS.

CHAIR MORMILO asked if there was any further comment from the committee.
Hearing no objections, the 28% option was approved unanimously.

CHAIR MORMILO noted we are now discussing the Federal Other category. MR. RUDOLPH noted the high estimate is equal to earmarks we received earlier; similarly, the SAFETEA-LU and economic stimulus spread out over the long-term portion of the LRTP 2025 – 2035 is about \$11M a year. The medium and low assume \$5M per year for discretionary grants, such as the Tiger II and HUD sustainability and livability grants.

MS. HEIL stated that seems reasonable. MS. WITT asked for clarification on which scenario. MS. HEIL replied it is for the low estimate.

MS. HEIL motioned to ask the low-medium for Federal Other. MR. HANSEN seconded.
Hearing no objections, the low-medium for Federal Other was approved unanimously.

MR. RUDOLPH noted the middle estimate -the \$1.1B is about \$469M in 2010 dollars; by comparing the project costs and the 2010 dollars, we need to cut \$469M from that list. MS. WITT noted it's not as bad as it sounds. MR. RUDOLPH agreed.

MR. RUDOLPH asked if the TAC wanted to make a motion on the Other Revenue assumptions. Besides the low-medium and high, are we just assuming those are good to go?

MR. RUDOLPH discussed the legislative capital, the State match GO Bonds, Transit Bonds and all the other assumptions; these were presented at the last TAC meeting. MS. WITT noted this was well documented and the Federal assumptions have been vetted through the State and FHWA. It's the State funding that people need to weigh in on.

MS. WITT moved that the TAC accept the Other assumptions regarding Federal and State funding and recommend them to the PC. MS. HEIL seconded.

MR. KENWORTHY noted he would like to hand out a spread sheet after the meeting. Data based on existing information would have a huge impact on the fiscal constraints.

Hearing no objections, the Other assumptions were recommended unanimously to be forwarded to the PC.

CHAIR MORMILO noted the following item to be discussed is the screening process.

MR. KATSION noted the clarification and adjustments to the roadway criteria, bike/ped trails; the consultant team met with Muni staff and People Mover staff. To make it clear, with less money we need to find projects currently in the short – long term listings and move them into the illustrative list. By identifying these projects as illustrative, as funding levels change we can respond. If these are in the MTP they can be considered for those funding levels.

The screening levels are in the handouts and discussion ensued. MR. KATSION explained the five criteria for roadway projects.

MS. HEIL felt that we need to have a note outlining the methodology. This is a table to assign points but it doesn't tell you if you did all the projects, or part of the projects. MR. KATSION stated the idea is not to assign all 125 roadway projects but to identify longer range, short-term projects or phased. MS HEIL stressed documentation.

MS. WITT stated that as resources become more restrictive, that projects with the greatest need must receive funding priority. This is largely guided by the classification that came out of traffic. MS WITT wondered whether any local roads or collector roads could move further out. To meet these budget expectations, a few projects may need delayed; this must be documented.

MS. HEIL agreed. MR. KATSION reviewed the project selection process and criteria. The goal is to address congestion and modal deficiencies.

MS. WITT asked if a handout explaining the costs/benefits of the quartiles as opposed to specific recommendations may prove beneficial. MR. SPRING replied his recommendation is to use the quartiles, so when the cost benefits analysis is calculated, which is the cost divided by the length in the ADT, the cost to improve congestion for each individual VMT is determined. In other words, the lower the cost the more efficient the project; his recommendation is to rank all the projects by that criteria. For example, the top quartile is given four points; the lowest quartile is given zero points.

MR. HANSEN compared a standalone project which is only valued at 0 with final phase scored at 5 points. He doesn't understand why it wouldn't get any points. MR. KATSION

replied the rationale is to ensure a complete project; rather than a project that started or was in progress.

MS. WITT provided an example such as a phased project like Dowling Road or 100th Avenue. Often, this applies to only a few projects. MR. KATSION agreed. MR. MORRIS noted at times, the initial and final phase is the same.

MR. KATSION gave an overview and sample of the projects to see if this made sense; whether the score is 0 or 1, it would not really change the project listing. It's a stand-alone project but if it becomes a short-term project or it's ready to go those points will outweigh that.

MR. MORRIS stated that a standalone project should receive five points because the full benefit is obtained when the project is completed. MR. SPRING concurred, yet if the funding phase is not finished, the benefit of the middle phase is not optimized. MR. HANSEN agreed, but thinks something in the middle would work.

MS. WITT asked if eliminating the stand alone is feasible since the stand alone and phase one is the same (Remove the 0 score). MR. MORRIS commented if there is some benefit to completing a project because the full benefit is realized, than a standalone accomplishes this.

MR. SPRING noted that in the past, a project table was developed which linked to other projects; for example, several projects are linked to the H2H project such as the Ship Creek connection. Equally, the Ship Creek connection is linked to other projects; therefore we could adjust it and make it a benefit. MR. KATSION stated maybe 0 is not appropriate under this scenario and perhaps there is a better option for the stand alone in the 1 and 3 and it will balance itself out with the other four criteria.

MS. MCCONNELL expressed her concern with the Functional Classification. This seems to imply an interchange that would be a freeway would automatically be more important than a needed arterial or a collector connection. We learned last month from the UMed study that facility is going to be a collector or arterial. That will have a huge benefit to reducing congestion to the east side and as a result this project would get a significant number of points. Further, projects with a pedestrian or bike component are always placed on arterial or collectors; these projects will automatically get fewer points since they are not on a freeway. Good projects would lose points because they don't happen to be a freeway. This is not a very good screening criterion.

MR. KATSION responded that this criterion is 4 out of 25 points. In other words, a project high in all other categories combined with project readiness, project need, project sequencing, and if the project is of high benefit it is not likely to alter the entire process.

CHAIR MORMILO noted this is the initial screening and modifications and changes can be made. MR. KATSION concurred.

MS. UNDERWOOD commented that during the 2005 LRTP there were a lot more criteria used. She inquired about how staff should defend this methodology to the public. These criteria and process seem very abbreviated. MR. KATSION agreed this is quite abbreviated because it's an initial projects screening. The entire list will not be rescreened.

MS. WITT stated that the projects will not be removed from the list. MR. KATSION concurred. MS. WITT commented this is defensible; priority to projects with substantial investments, such as buying ROW, projects that address major congestion and safety needs; and the larger projects which move higher volumes of vehicles and are most cost effective should be advanced. She agrees with Mr. Spring's idea of using quartiles and getting rid of the 0 will make this easier, then we can see how this looks. MS WITT suggested that the committee review this again and share the results.

MR. KATSION replied he would address this further in the presentation today and expected a work session on this topic next week.

MR. HANSEN felt that text should be added so that the project and process is associated with an approved plan. MS. WITT noted that any project that is included is vetted through the planning process.

MS. HEIL asked if this is an action item. MR. KATSION responded this is not an action item, but direction is needed to keep moving forward. CHAIR MORMILO noted at the next TAC we'll be presenting the project list.

MR. KATSION explained the draft screening criteria for the bike/ped and trail projects. The four criteria include: project readiness, need, inclusion in plans, and the primary purpose in the plan. MS. HEIL asked if a project could show up on this list if it is not already on a list. MR. KATSION replied that there are no projects at this time. MS. BROOKS commented the only projects potentially being added are through the approval process or for political reasons.

MR. SPRING responded he can learn what the approval process is for this circumstance. MS. HEIL explained that if new projects are added, then a protocol and justification needs to be established; especially when the goal is to limit new projects unless it is in a recent plan or solves a problem. MR. SPRING agreed; all of the MTP projects are in approved plans.

MR. MORRIS asked if this criterion is used on some of the projects. MR. KATSION replied that a test was conducted.

MR. SPRING explained the distinction between recreational and utilitarian use. It really applies to policy and to the new MTP update; we put more emphasis on utilitarian trails, pedestrian, and bicycle facilities. In the past, we primarily funded recreational trails projects like the Ship Creek Trail and it doesn't have a lot of utilitarian use but it's a very nice recreational facility.

MS. UNDERWOOD asked if the roadway screening criteria could be enhanced for the bike and pedestrian facilities. At this time, it is mixed in, but it is difficult to differentiate the criteria, such as project need and project safety, which we have built into the LRTP now. MR. KATSION responded it's built in if you review it. For example, the major safety projects, the capacity, the completed grid, and the purpose are intertwined with the time statement. He doesn't believe it needs to be a separate criterion.

MS. MCCONNELL asked for clarification on the project needs for existing facility vs. no facility; do you get a 0 for upgrading or do you get a 0 for no facility or for both? MR. SPRING replied you only get 0 if it's an upgrade. MS. MCCONNELL stated this if there is no existing facility then it's one of the other items? MR. SPRING replied, yes - if it's a new facility.

MR. HANSEN verified that there are 490 projects. MR. KATSION replied no there are about 80 total projects totaling \$490M. Project screening is already done on these.

MR. KATSION noted the last category is Transit. MS. BREWER noted that a cost and benefit analysis was conducted for the roadway projects, but not on the bike/ped projects and wondered how this would be measured. MR. KATSION noted it is difficult to measure due to the lack of volume data for these projects.

MS. WITT stated there is ongoing discussion with the project team on this and again, because of the lack of data the only reasonable method is to aggregate it by relative cost, which doesn't really give a good estimate of the necessary cost and this is difficult to do. MR. SPRING replied no one does counts on sidewalks unless it's related to a road project. We do have something in the narrative regarding high utilitarian use. While the demand side is addressed, it's not compared to the cost side. In the last criteria, we do address part of that benefit cost.

MS. BROOKS commented that proximity to transit routes may be considered.

MR. KATSION explained the transit screening is a draft. For quite a long time, People Mover has used these same criteria to screen their projects. A maximum of 90 points is possible; this is our first cut. MR. SPRING noted that Transit will have the opportunity to review this and also make recommendations. We expect some changes based on their suggestions.

MR. KATSION explained the next steps; at the PC meeting we will present the revenue analysis and provide your recommendations; in order to set the revenue level and move forward with the plan development, we hope to get a recommendation from the PC. With the guidance you've given us today, we'll start paring down the projects. In addition, we will hold a work shop early next week.

MR. WILBER mentioned the work session is not likely going to benefit the PC. Our action today is for the purpose of the PC; to keep the process moving and to see how we are doing for the draft release. MS. WITT replied that we can see what it looks like. MR. WILBER asked if a work session is necessary before the PC or whether it can be held before the next TAC meeting.

MR. KATSION responded he thinks it is helpful for the whole group to gauge reaction on the project cuts from the results. This may influence what they decide to have in the funding package.

MR. WILBER noted at the end of the work session the TAC has made a recommendation not to change it. The PC could wait for the product and we could spend three months to three years doing this but, we only have three days. This may provide a general sense of what's incorporated and what's excluded and help to determine the gray areas. This may add benefit.

CHAIR MORMILO asked Mr. Lyon if he would coordinate schedules for another meeting; possibly Monday, Tuesday of next week.

7. ADJOURNMENT

The meeting adjourned at 2:24 p.m.