

**ANCHORAGE METROPOLITAN AREA TRANSPORTATION
POLICY COMMITTEE MEETING
Planning and Development Center
4700 Elmore Road
1st Floor Conference Room
Anchorage, Alaska**

**July 10, 2008
1:00 PM**

Those in attendance were:

<u>NAME</u>	<u>REPRESENTING</u>
* Gordon Keith	Alaska Department of Transportation and Public Facilities, Regional Director
David Post	ADOT/PF
* Cindy Heil	Alaska Department of Environmental Conservation, Air Quality
** Bruce Carr	Alaska Railroad Corporation
* Mark Begich	Municipal Mayor
** Sheila Selkregg	MOA/Municipal Assembly
** Patrick Flynn	MOA/Municipal Assembly
** Lance Wilber	MOA/Traffic Department
Craig Lyon	MOA/TD
** Jody Karcz	MOA/ Public Transportation Dept.
Alton Staff	MOA/PTD
** Lois Epstein	MOA/AMATS Citizens Air Quality Advisory Committee
Cheryl Richardson	ACC
Walt Parker	Self
Duane Hippe	Self
Bernadette Bradley	Old Seward/Klatt Community Council
Betty Adkison	University Area Community Council
Andrew Neimic	KABATA
William Green	KABATA
Mary Ann Pease	KABATA
Sara Ellen Hutchison	Alaska Center for the Environment
Kristi Stuller	DOWL Engineers

- * AMATS Policy Committee members
- ** AMATS Technical Advisory Committee members

1. CALL TO ORDER

CHAIR KEITH called the meeting to order at 1:08 p.m. All Policy Committee members with the exception of Mayor Mark Begich were present. A quorum was established.

2. APPROVAL OF AGENDA

There being no objection, the agenda was adopted unanimously.

3. BUSINESS ITEMS

a. AMATS Policy and Procedures #3

MR. LYON explained that at its June 12, 2008 meeting the Policy Committee voted to place this item on the agenda to review the allocations contained in the program. The current Policies & Procedures was adopted in 2005 and dictates an allocation of 80% of the AMATS funding on Roadways, 10% on Transportation Enhancements (TE) and 10% on Congestion Mitigation and Air Quality (CMAQ) averaged over a three-year period.

DAVE POST distributed a chart of the AMATS funding and the amount actually spent in each category from 2001 through 2009. The funding increased in 2003 and was predicted to increase in 2004, but the Section 115 earmarks were deducted in that year. The funding next year is approximately half the 2003 amount. He reviewed a graphic representation of the inflation that has affected road projects, noting that costs have doubled since 2003/2004.

MR. POST noted that the percent of TE in any given year has ranged from 13% to 28%. The current TE percentage is 17%. There was an agreement to balance between 2007 and 2008 to achieve an allocation of 10% over the two-year period, but this was not possible. A commitment was made toward funding buses in the amount of \$6 million in 2009. There is also a \$12 million advance construct (A/C) in 2009. These two funding amounts total \$18 million against the allocation of \$23 million. Based on the insolvency of the Highway Trust Fund, the amount of prospective funding is unsure. Old

Glenn Highway from Fire Lake to Peters Creek is ready for construction, but it will be delayed for several years.

CHAIR KEITH suggested that there be discussion of this item rather than action, given that the Mayor was unable to attend this meeting. Furthermore, the notification of the meeting referred to Policy & Procedure #3, which is not descriptive as to the subject matter. He suggested there be better notice for next month's meeting. He also wanted to refer the matter to the TAC to provide additional information prior to the Policy Committee's consideration in August.

MR. FLYNN was aware that the STIP process for 2009 is commencing and asked that the potential for a change to the allocation schedule be considered during that process.

CHAIR KEITH asked that staff and the TAC investigate the amount of funds spent on TE features such as bike paths and sidewalks when a highway is built under the Roadways portion of the program. MS. SELKREGG understood that TE activities are being done as part of Roadway projects and are included in that category. She agreed that it would be helpful to see the amount spent on TE-related features within those figures. MS. HEIL noted that a road reconstruction project clearly outlines the features included, versus a road rehabilitation project, which is only from curb to curb. MS. SELKREGG thought the information provided by Mr. Post goes beyond Policy & Procedure #3. She did not think the Policy Committee could discuss Policy & Procedure #3 by itself, but the discussion should also include diminishing dollars, changing needs in the community such as increasing transit demand, how existing roads will be maintained, and what are the critical needs for new roads. CHAIR KEITH agreed with the interrelationship of these considerations, particularly in light of the lower allocation amounts being received by AMATS. He also remarked on streets such as Debarr, which are not on the NHS and are directly funded through AMATS.

MS. HEIL explained that when the Policy & Procedures were developed, they were intended to give direction in the development of the TIP. A new four-

year TIP will be developed soon and it would be beneficial to review the new TIP in conjunction with potentially amending the policies.

MR. FLYNN distributed a written amendment to Policy & Procedure #3 proposing changing Roadways to be 70% to 80% and TE to be 10% to 20%. He noted that just one trail project would exceed the 10% allocation and approach 17% this year alone. He remarked that Roadway TE amenities are not the same as a trail, which offers a facility for non-motorized transportation.

CHAIR KEITH stated that limited AMATS dollars are not a good fit for trails because such a high level of funding can be used toward environmental work and design, leaving little for hard surfaces and landscaping.

MS. SELKREGG stated she has always wanted to increase the allocation to TE, but there is a complex situation that relates to the need to increase transit. She suggested perhaps increasing TE and CMAQ funding as a combined figure, allowing more to be allocated toward one or the other in any given year. CHAIR KEITH noted that the TE and CMAQ overlap to the extent that the same work can be done with either funding source. MR. POST stated that the Muldoon Pedestrian and Landscaping project included trails and right-of-way for bus pullouts in that heavily transit-oriented corridor. MS. SELKREGG asked if TE funds could be used for the purchase of buses.

MR. LYON clarified that there is a direct allocation of CMAQ that is for CMAQ projects only. The State allocates those funds and, this year, that amount is \$3 million. There is also a portion of the AMATS allocation that has designated for CMAQ projects. MS. SELKREGG explained that there are times when neither TE nor CMAQ are sufficiently substantial in amount to accomplish a major project. MS. HEIL noted that SIP-mandated projects are currently funded through CMAQ and those cannot be changed. She stated that wholesale structural changes of this nature would be best done in relation to the development of a new TIP.

MR. FLYNN asked that the TAC and staff review the amendment language he had submitted and also consider a combination of TE and CMAQ at a level of 20% to 30%.

CHAIR KEITH noted that there would be opportunity for public input at next month's meeting.

CHERYL RICHARDSON stated that in the past she prepared a chart showing the historical split of funding between Roadways, TE, and CMAQ outlining the federal allocation, how it was budgeted locally, and how it was actually spent. She felt that it would be helpful for the TAC and/or Policy Committee to see an analysis, since ISTEA was formed, how much has come in under each category, how it was budgeted at the state and local level, and how it was spent. She stated that historically funds have been transferred from TE and CMAQ into Roadway projects. She also suggested looking at the NHS versus Surface Transportation Program (STP) funds because there is a pattern of taking from the STP and putting it into the NHS. CHAIR KEITH noted that STP is set in law, so it could not be moved from STP to NHS. He stated the lowest funding available during this funding cycle with SAFETEA-LU has been the NHS. The money for some of the earmarks came directly out of the NHS. MS. RICHARDSON offered to email her reports to Chair Keith.

MS. SELKREGG asked if the reference to earmarks is to projects to which funds are allocated and AMATS is obligated to spend and that ultimately take funds from other projects that would have been funded had those earmarks not been made. CHAIR KEITH explained that earmarks are direct funding of projects and those dollar amounts were taken out of the AMATS allocation. MS. SELKREGG noted that earmarks impacted AMATS's capacity to spend funds on local roads because that funding was no longer available. CHAIR KEITH stated the funding is NHS and those funds do not belong to AMATS, but rather to ADOT. MS. SELKREGG clarified through Mr. Keith that the loss of funds to earmarks has resulted in less funding being available for NHS projects within the AMATS boundaries. She noted that this is an important discussion point in relation to the Knik Arm Crossing because, while there is private funding associated with that project, there are also connector roads.

MS. RICHARDSON stated that Anchorage has been pulling large sums out of the State General Fund for several years and she felt it would be helpful to document those dollars, as well as bond funds. She asked that all these funds

be placed on the same chart. She also asked to see an analysis of whether AMATS is accomplishing the goals of *Anchorage 2020*.

BRUCE CARR stated that, as a member of the TAC, he looked forward to the discussion, but hoped that the Policy Committee would consider a joint TAC/Policy Committee work session so that questions are not repeated. The staff data would be prepared in advance of the work session. MS. HEIL suggested that the work session be held after the next formal TAC meeting, but prior to the next Policy Committee meeting. MS. SELKREGG favored this suggestion. MR. FLYNN suggested a date of August 7, 2008 for the work session.

MS. SELKREGG agreed to using the four-year TIP as a framework for the overall discussion and noted that there have been many changes in transportation and a shift in people's ability to pay for use of their automobile.

BERNADETTE BRADLEY asked if the work session would be open to the public. CHAIR KEITH replied that all AMATS meetings are open to the public.

b. Other Business Reports

CHAIR KEITH noted that commitments must be made to the HSIP or the funds will be lost.

4. INFORMATIONAL REPORTS

a. Knik Arm Crossing

CHAIR KEITH explained that concerns and questions were expressed by Ms. Selkregg and Mr. Flynn at the June 12, 2008 Policy Committee meeting and other questions were to be put to Mr. Lyon in relation to this project. MR. LYON indicated that no new questions had been put to him. CHAIR KEITH stated that all questions would be forwarded to Mr. Neimic for response.

MS. SELKREGG asked whether KABATA wished to make additional comment. MR. NEIMIC stated that KABATA has not received any questions

to which it can respond. MR. LYON indicated he would relay questions to KABATA.

CHAIR KEITH stated that ADOT issued the new RFP for a new cost estimate for the Knik Arm Crossing yesterday.

b. New and Changing AMATS Issues

MR. FLYNN confirmed that SAFETEA-LU is up for renewal next year. He asked for information on how that process might manifest itself at the congressional level, which may aid AMATS in formulating policies and procedures. CHAIR KEITH stated that the Highway Trust Fund is running out of funds for FFY09 and is short \$8 billion. Congress is attempting to find funds to backfill the Highway Trust Fund. The House is considering moving \$8 billion from the General Fund to the Highway Trust Fund.

MS. RICHARDSON commented on an Anchorage Daily News article regarding an energy bill in the House to help fund transit systems. Alaska would be in line for \$17 million over a two-year period. She called to check on it and understood that the Senate would not be receptive to helping to finance transit operations.

MR. CARR agreed that he has heard the Senate is not pre-disposed to moving this legislation forward. At the same time, he was aware from recently attending a regional meeting that the word going around Washington DC is that they want to start authorizing a transportation bill. There needs to be a dramatic break from how transportation has been funded in the past and re-authorization would not make that change. Congress also wants to discuss more openly how to fund transportation infrastructure while retaining competitiveness. This could result in a delay in funding. One solution is to continue FFY09 funding levels, which could be reduced 25% to 40%. CHAIR KEITH stated that the continuing resolution allowed release of 5/12th of the money and projects could not be continued. The recent FAA bill experienced this. MR. CARR stated that with the emphasis on transit in the country, while FHWA was re-authorizing 5/12th, FTA was authorizing 1/12th on a month-to-month basis. CHAIR KEITH commented that the Highway Trust Fund worked fine because it was funded with a user tax where those who drive vehicles pay by putting fuel in their cars. As cars become more cost

efficient and VMT increases, the Highway Trust Fund is not funding transportation needs.

MS. SELKREGG understood from working with USDA that it was possible to become sophisticated regarding how the bills should be structured. CHAIR KEITH stated the Alaska congressional delegation is aware of what is desired. MS. SELKREGG stated there is an opportunity to position AMATS to be ready for this change and she was interested in that insight.

CHAIR KEITH asked that there be discussion of including AMATS in the development of a wish list of projects for State funding.

MR. FLYNN asked whether it would be worthwhile to develop a resolution regarding the backfill of this year's SAFETEA-LU funding and the coming year's transportation act.

AVES THOMPSON with the Alaska Trucking Association suggested that any resolution should include the notion that the function of the transportation system is to move people and freight.

MS. RICHARDSON further suggested adding transit into the resolution.

MS. SELKREGG remarked that all federal programs are feeling the impacts of reducing federal dollars. Other partners, such as HUD and Commerce, should be considered as funders. She felt it was worthwhile to explore potential partners and building complementary projects. She noted that Muldoon and Debarr have the demographics to qualify for programs through those funding sources. She offered to talk with Colleen Bickford at HUD regarding this potential.

LOIS EPSTEIN with the Alaska Transportation Project noted that Anchorage, Palmer and Wasilla are a part of a national effort to bring more money to communities. The proposal is for a competitive process involving \$50 million nationwide for non-motorized transportation.

WALT PARKER stated this is the most serious time he can recall in his 62 years of experience in transportation, including wartime. There is no

leadership out of Washington DC and he felt that municipalities have to make strong statements regarding transportation funding. CHAIR KEITH agreed that some of the best leadership is occurring through mayors and governors.

MS. SELKREGG understood that the desire is for a comprehensive understanding of transportation needs and the role of AMATS in that. The needs address freight, personal vehicle, transit and pedestrian transportation. She stated that the area of town she represents on the Municipal Assembly is struggling to assemble match to accomplish road rehabilitation/reconstruction projects. She was interested in understanding the problems and having an honest conversation about both major and minor roadways.

MR. WILBER felt this analysis has been done. Staff, the Assembly, the MOA, and ADOT understand the transportation needs that exist within the AMATS boundaries. The challenge has been that the way in which they can be implemented has changed. There has always been the problem of more need than funding. He noted that other locales have already experienced a federal funding ratio of 20% with the remainder funded through state and local means. He agreed with revisiting the needs that have been identified and the priorities that have been established. He noted that *Anchorage 2020* and the LRTP are being implemented, just not at the pace that had been hoped. He noted that the AMATS funding level of \$22 million would accomplish one road or one trail. MS. SELKREGG felt it was prudent to see these problems vis-à-vis others. She also wanted to know whether, if \$22 million builds only one road, that funding could be better used on other things. MR. WILBER stated that the staff is looking at the next CIP and is wrestling with the level of state and local dollars, assuming there will be little federal dollars, if any.

c. Other Informational Reports

MR. POST stated the Highway-to-Highway project is moving forward. A scoping meeting will be held at Mt. View Community Center on July 29 and a second scoping meeting will be held at Fairview Elementary School on July 31. An Executive Oversight Committee meeting is scheduled for July 29 from 10:00 a.m. to 11:00 a.m. at the Fairview Recreation. The Citizens Highway

Users Advisory Committee is meeting July 30 at the CIRI building from 6:00 p.m. to 8:00 p.m. CHAIR KEITH encouraged attendance at the Executive Oversight Committee meeting.

MR. POST distributed a monthly traffic volume analysis for the Glenn Highway for January through December 2006, 2007 and 2008. He noted that there was not full data for the month of June 2008. He also noted that the volume in 2008 is less than in 2006 or 2007. MS. SELKREGG noted that the reduction in traffic in 2008 is not as much as she would have thought. CHAIR KEITH noted that the impact of oil prices is not as severe as one would think, particularly because many trips are non-discretionary. MS. SELKREGG noted that, if the price of gas increases or stays level, people will likely make decisions about where they live and there would be a lag of year or two involved in those types of decisions.

MR. FLYNN stated he speaks with marine transport companies about the most efficient use of their assets and some of those companies are considering choosing Whittier or Seward rather than Anchorage because of the fuel market.

5. SCHEDULED AMATS MEETINGS

Technical Advisory Committee, July 24, 2008

Policy Committee, August 14, 2008

7. ADJOURNMENT

The meeting adjourned at 2:17 PM.