



Alaska Long Range Transportation Plan Transportation Stakeholders Group, Meeting #3

October 28, 2014
1:00 PM–5:00 PM

HDR
2525 C Street
Fourth Floor Conference Room
Anchorage

Staff Attendees:

Eric Taylor (DOT&PF)
Jeff Ottesen, DOT&PF
Sara Mason (DOT&PF)
Alan Meyers (PB)
David Rose (PB)
Keyur Shah (PB)
Jessica Conquest (HDR)
Julie Jessen (HDR)

Brian Lindamood, Alaska Railroad Corporation
Lori Schanche, Municipality of Anchorage
Kathie Wasserman, Alaska Municipal League
Judy Chapman, DOT&PF
Andy Hughes, DOT&PF
David Levy, Alaska Mobility Coalition

Stakeholder Attendees:

John Lohrey, Federal Highway Administration
Marty Parsons, Alaska Department of Natural
Resources
Josh Howes, Marine Transportation Advisory
Board
Jennifer Witt, DOT&PF
Robert Venables, Marine Transportation
Advisory Board

Attendees on the Phone:

Marcheta Moulton, DOT&PF
Aaron Buckley, FMATS
Brad Sworts, Matanuska-Susitna Borough
Lee Ryan, Aviation Advisory Committee
Denise Guizio, Capital Transit
Doris Lee (PB)

Public Attendee:

Addison Smith (DOWL HKM)

Meeting Overview

The Transportation Stakeholder Group (TSG) met on October 28, 2014 to continue the conversation about the Alaska Long Range Transportation Plan (LRTP). The purpose of this meeting was to update attendees and hear committee input plan goals, strategies, actions, and risks. Julie Jessen (HDR) started the meeting by going over the meeting purpose and agenda. Jeff Ottesen (DOT&PF) followed, providing a brief presentation on the changes DOT&PF are making to their regional boundaries. Julie then discussed the input the Transportation Stakeholders Group (TSG) has made to-date. Keyur Shah, Parsons Brinckerhoff (PB), provided an overview of a risk-based planning approach. The central

component of the meeting focused on having the group assign a magnitude to each of the risks identified by the planning team and by the TSG during previous meetings. David Rose (PB) closed the meeting by going over the preliminary policies, strategies, and actions created by the planning team. The meeting adjourned at approximately 5:00 PM.

Note: Questions and comments from stakeholders and the planning team in this summary are a synopsis of the meeting's dialogue. When appropriate, planning team responses have been supplemented to supply complete responses.

Minutes from this meeting, and all advisory and public meetings, are available on the project website: www.dot.alaska.gov/lrtppplanupdate.

Meeting Materials

- Handouts
 - Agenda
 - 11x17 Table showing the risks and consequences that were to be assigned a magnitude
 - Preliminary Policies, Strategies, and Actions
- PowerPoint presentation

Meeting Summary

Introductions

Julie Jessen (HDR) started the meeting with introductions, a safety moment, and an overview of the meeting purpose and agenda. Jeff Ottesen, Department of Transportation and Public Facilities (DOT&PF) took a brief moment at the beginning of the meeting to announce that DOT&PF is in the process of updating its regional boundaries in an effort to balance workloads.

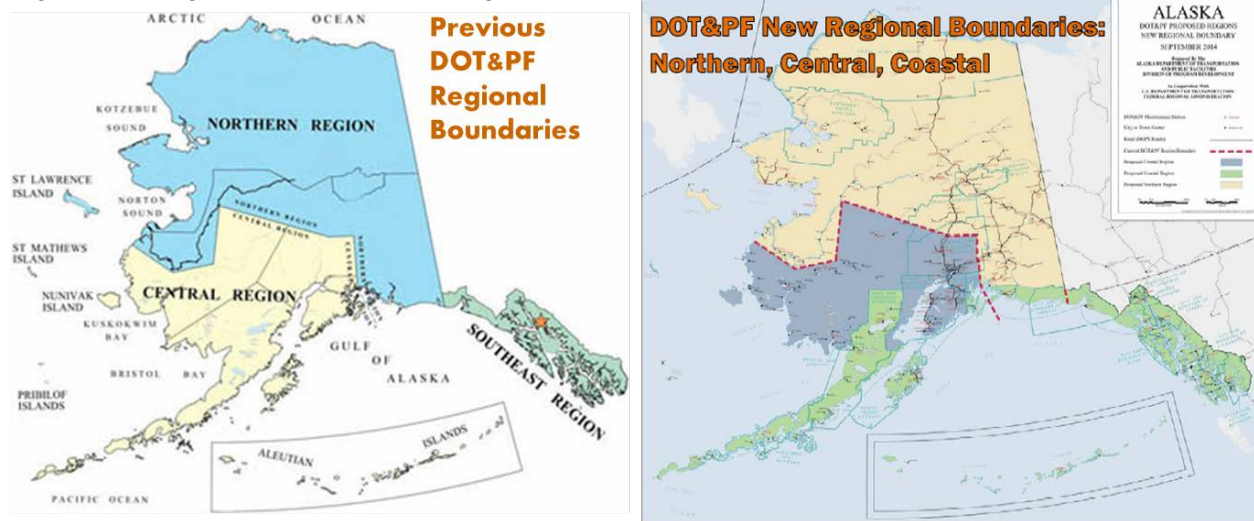
Changes to DOT&PF Regional Boundaries

According to the Alaska Department of Labor and Workforce Development, the populations of the Municipality of Anchorage (MOA) and the Matanuska Susitna Borough (MSB) are projected to increase by 72% by 2030. In light of this, coastal areas that were once part of DOT&PF's Central Region will be combined with the Southeast Region to form the new Southcoast Region (see Figure 1).

Robert Venables Marine Transportation Advisory Board (MTAB) asked if the change in boundaries would result in relocation of staff resources. Jeff replied that even if staff are reporting to a different region, they will likely stay in their current location. The DOT&PF is trying not to move employees at all. Robert asked how the change in boundaries will affect funding allocation. Jeff replied that the projects that are well underway will not be transferred. He added that the Southeast Region was doing most of the work in the coastal areas of other regions because most of the projects were ferry terminals. The majority of projects that will be transferred to the Southcoast Region will be aviation projects.

Kathie Wasserman (Alaska Municipal League) expressed concern regarding the decision process. Kathie said that her constituents felt that the changing of the regional boundaries was being done poorly and that there wasn't enough information being communicated. Jennifer Witt (DOT&PF) stated that regional planners for Central and Southeast regions are already talking about what changing the boundaries will mean. Jennifer said that transferring part of Central Region to this new Southcoast Region is an opportunity to bring the Southeast Region up to speed. However, the full transfer of institutional knowledge will likely take awhile. There is no official implementation date set at this time.

Figure 1. Changes to the DOT&PF's Regional Boundaries



Andy Hughes (DOT&PF) and Jennifer Witt have been collaborating on the Southwest Transportation Plan and the change in boundaries won't really impact the planning level of DOT&PF.

Kathie noted that most of the calls she has been getting are from the people located in the Southwest Region. She asked if the change in boundaries will affect them. Andy replied that the Southwest Transportation Plan, and the area it encompasses, would remain the same. In this case, the Southwest Transportation Plan would overlap two regions, so the Central Region planners and the Southeast Region planners are collaborating. Southeast Region is fairly familiar with the communities on the south side of the Alaska Peninsula due to the high presence of ferry terminals. Andy admitted that it will take the new Southcoast Region a little time to get to know all of the new communities and learn how to coordinate with each other. Andy stated that there are no regional funding allocations as far as projects go. Rather, the Department prioritizes projects on a Statewide basis, based on the greatest needs.

Jeff stated that it is not uncommon for DOT&PF boundaries to cross regional planning areas. Kathie said that at some point it would be nice to have some answers. The DOT&PF Commissioner is invited to send a consultant to speak on the behalf of DOT&PF at the upcoming Alaska Municipal League (AML) conference. Jennifer explained that the conference is a great opportunity to foster some of those introductions between staff and facilitate the boundary changes. Jennifer noted that most of the change will be felt by those involved in aviation projects. She added that two of the most qualified people will come together to address the marine needs of the Southwest region as a result of this change. She added that Kathie should let them know if there is something in the region that DOT&PF can facilitate.

Julie explained that the boundary changes are not directly related to the Statewide Transportation Plan; however, it does reflect some of the issues that are being faced. She added that Jeff will be presenting on the LRTP at AML, and information on boundary changes should be included. The public may comment on the boundary changes as part of the LRTP.

Input to Date

Prior to covering new material, Julie reminded the group that some of the takeaways from previous TSG meetings:

- A plan is only as good as its implementation strategy
- Maintenance of existing infrastructure is a huge issue across all modes
- There is demand for a “high performance” system

Some of the strategies and actions that were identified by the group at the last TSG meeting were:

- To maintain what we have
- Make safety the first consideration
- Focus on the National Highway System
- Tie prioritization to cost-effectiveness
- Facilitate new growth and reduce new construction
- Consider all modes
- Meet responsibilities
- Increase user fees
- Show projects with unidentified funding
- Create revenue models
- And identify “risk-based” needs

Julie noted that the group has had a lot of conversations on funding. It is the 800-pound gorilla in the room. The group looked at 20-year timeframe knowing that not having sufficient funding is a potential scenario. The group recommended prioritizing needs and focusing on increasing revenues. How we do business across modes and communities should be done in a fair manner. The State needs to work with public expectations about what transportation means as funding becomes scarcer.

There has been a lot of talk about cost-benefit analysis as a way to prioritize, but that doesn’t always make sense in a state like Alaska. In order to ensure that there is equity between communities (large and small, near and remote) cost-effectiveness may be a more suitable approach for the state. Julie also noted that the state is being pulled into two directions: 1) to build new infrastructure to support economic development (roads to resources) and 2) to maintain what it currently has rather than building onto the system. Julie asked the group how the state should go about addressing these two competing interests.

Meeting Presentation

To set the stage for the general discussion, Keyur Shah (PB) provided a presentation on the risk-based planning approach developed by the project team.

Julie set the stage by asking the group to envision a scenario where their boss asked them to make a weighty decision that they were unsure how to approach, particularly in regard to risk to the company/agency. Julie asked how they would evaluate risk. Suggestions were:

- | | |
|-------------------|----------------------------|
| • Safety and cost | • Consequences of the Risk |
| • Uncertainty | • Staffing Levels |
| • Ramifications | • Reliability |
| • Capacity | • Public Opinion |
| • Probability | • Benefit |
| • Culture | |

Julie noted that the list the group came up with is a lot of things to consider, especially as you are looking further out into the future. She said that we know what some of the issues may be and some of the issues that will happen. However, there are other things that can’t be predicted. She explained that the next

exercise will help group identify magnitude and probability based on a number of reasonably foreseeable risk statements.

Keyur reminded the group that they had talked about some of the risks facing the transportation system, but there was a lot of uncertainty. The goal of the exercise is to determine what poses a higher risk to the current transportation system. Understanding this will allow the planning team to prepare a plan that provides a robust response to the transportation impacts of trends.

Risk is the uncertain event or condition that may have a positive or negative effect. This is calculated by multiplying likelihood by impact. High risks are where there is a high likelihood of certainty and extreme impact; low risk is a low probability event with insignificant or minor impact. Keyur explained that the list of risks being considered is based on research conducted by the planning team as to what would be potential trends over the next 20 years. The group was asked to consider the proposed risk statement, the likely consequence, the probability/likelihood it would occur (Remote, Unlikely, Possible, Likely, Almost Certain), and the impact it would have on the status-quo of the current transportation system (Insignificant, Minor, Moderate, Major, Extreme). The group discussion identified the probability and impact associated with each of the risks and consequences.

Stakeholder Discussion

Note: Questions and comments from stakeholders and the planning team in this summary are a synopsis of the meeting’s dialogue. When appropriate, planning team responses have been supplemented to supply complete responses.

Risk-Assessment Approach

The risk-assessment approach was broken into five overarching categories: Demand/Growth, Deliver/Supply, Public Policy, Climate Change, and Others. These were then broken down into risk statements and their associated consequences.

Demand/Growth

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Rapid population increase in the Mat-Su region and increased concentration of population in larger urban areas	Increase in multimodal expectations, worsening highway congestion, congestion beyond commute peaks, and growing travel demands for bicycle, pedestrian, and transit improvements or numerous expensive new and expanded facilities to keep pace with growth	Almost Certain	Major	High

Julie stated that the first risk statement was that the Mat-Su region is growing quite quickly and that populations are concentrating in urban areas. The consequence of this is that there will be increased highway congestion and a greater use of alternative modes of transportation. The group agreed that this statement was likely or almost certain and assigned the risk statement as being “Almost Certain,” with a “Major” impact on the current transportation system. David Levy (Alaska Mobility Coalition) said that he

heard that the growth in the MSB was tapering off. Jeff replied that the June forecast from the Department of Labor showed unprecedented growth. David Rose (PB) said that we have the trend (population) and the consequence (impact) and that equals the risk statement - how the transportation system will perform in the future.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Population stagnant/decline in the smaller, more remote communities	Fewer people in rural and outlying areas to support basic infrastructure, risks of some smaller communities becoming depopulated more costly per person served/less market demand; declining political influence	Almost Certain	Major	High

Andy started that one of the consequences for rural areas in Southeast where the demand is flat/decreasing is that there are more requests for pedestrian and bike facilities. Smaller communities want to have the amenities that used to be reserved for more heavily populated communities. This may be the result of a cultural change and therefore is not reliant on population size.

Jeff added that the public’s expectations will continue to mount. Lori Schanche (MOA) added that one of the reasons bike trails are getting more use is because there are more types of bikes to choose from, such as fat tire and studded bikes. Jennifer agreed that there are more options.

Keyur said that in terms of the population growth declining, transportation becomes more costly to provide per person. In addition, as the population shrinks, there is a decrease in the amount of political influence the community has. Kathie said that smaller rural communities find it necessary to be more vocal because normally that is all they have. Andy said that as communities age and decline, shrinking communities may even be more important. David Levy noted that common belief is that as communities shrink, demand for transportation will shrink, but it isn’t the case; rather, it is the opposite.

The group agreed that this risk statement was “Almost Certain.” Lee Ryan (Aviation Advisory Committee) asked what the definition of “smaller” was. He said that when he hears about a small community he is thinking 10 to 15 people. He added that everyone has a different definition of small. Julie asked the group how they would want to redefine “smaller.” Ryan suggested it be defined as being outside of regional hubs. John Lohrey (FHWA) said that federal funds are tied to the National Highway System (NHS), and there is less federal funding to go around. Robert said that having communities shrink has a high impact because there is deferred maintenance due to lack of federal money and reduced political clout.

It is harder to get the resources to smaller communities. The issues faced by smaller communities are also quite diverse. One community may have more potholes, but they still have a road. If it is a community with boardwalks, those have a shorter life and will waste away. Therefore having a smaller community could lead to a large impact on transportation needs. Jennifer said that the degree of risk is dependent upon what the impact is. The impact to a transportation system would be minor to moderate depending on how the impact is defined. She added that DOT&PF will still need to maintain transportation in smaller

communities to a certain degree. She asked if this is a statewide phenomenon. She clarified that she is wondering if the population is declining in smaller rural communities statewide, or if the statement is discussing individual communities in particular. Julie replied that the statement covers non-hub, rural communities. Jennifer asked if this population decline is almost certain for all of Alaska. She noted that Petersburg, for example, has a higher property tax that could support transportation infrastructure, if necessary. Julie said that the statewide risk is only being evaluated and that it is up to the regions to make decisions based on their own respective communities. Judy Chapman (DOT&PF) said that redistribution of the population is the real issue. She added that, in some cases, having a smaller population will be a benefit overall.

Robert said that he thought that Petersburg would not be considered a smaller community on a regional level. Rather, it would be a regional hub and Angoon would be the smaller rural community. Andy added that one can find smaller communities where they are doing quite well, have good income, and are stable, such as Skagway and Unalaska.

Julie asked the group what their guidance would be to the planning team. She asked how the group could make the statement and consequence more useable. David Levy asked what the definition was for rural/remote. David Rose replied that Alaska is becoming an increasingly urban state. They thought of rural/remote areas as being the non-urban, non-hub communities.

Kathie said that if this question has so many different pieces, why would the group answer this question? She added that the planners should know the answer to the question. Jeff said that just because it is a rural community does not necessarily mean population growth is stagnant. John said that for a long time the DOT&PF created roads in rural communities to connect communities to the airport, dump, etc. He asked if these expenditures are major or minor. Julie added to this by asking what it would mean if such roads were not maintained. Brad Lindamood (ARRC) said that he thought it is a major impact. In the trapper creek area of the MSB, where they aren't growing at all, and one of the biggest issues is that they aren't able to get contractors. As a result, structure isn't maintained as it should. The group agreed that it would have a "Major" impact to the existing transportation system.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Significant increase in senior population (65 to 90+ cohort) by 2035 throughout the state - Aging baby boomer population - Senior population aging in place	Growing demand of special transportation needs, including transit and community based transportation services	Almost Certain	Moderate	High

In regards to the risk statement on Alaska's aging population, the group agreed immediately that the increase in the senior population is "Almost Certain." Kathie said she thought the impact would be extreme because there isn't any funding for transit or other transportation systems that benefit an aging population. Brian said that he thought that was true in rural communities. Keyur said that the planning team's research revealed that the majority of the population is aging in place. They aren't moving. Julie added that this would occur in the 20-year timeframe. Robert said that Alaskans have been doing that for

centuries. David Levy replied that when he was growing up in Alaska he didn't see white elders. Now people are staying in Alaska beyond their retirement years. Such persons are demanding resources. They want to use other means of transportation.

Robert noted that in urban areas the infrastructure is already in place. Therefore, they are moving out to the places where it is already in place, for the most part. The group agreed that there would be a "Moderate" impact.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Increased population of veterans in the state	Growing veteran population will require providing services to accommodate their special needs, including transit and community based transportation services	Likely	Moderate	Medium

A similar risk statement was posed regarding Alaska's veterans population. David Levy commented that Alaska has always had a high percentage of veterans. Is the planning team expecting the percentage to continue increasing? Jeff replied that they are projecting the percentage of veterans in the population to increase, but not as much as the senior population. David Levy said that we have veterans that are in very rural and remote areas that are demanding services. That might have impacts on transportation needs as well. The group agreed that the risk was "Likely" and that the impact to the current transportation system would be "Moderate."

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Increased resource development in the state	An increase in resource development could result in increased unplanned maintenance and operating expenditure on the system in areas of development and new capital improvements in response	Likely	Major	High

Julie started the discussion on increased resource development by asking if there would be more operating expenditures and maintenance. Robert said that "Possible" should be put down for both the probability and the impact. David Levy said that lack of transportation infrastructure can have an impact as to whether there is an increase or a decrease in resource development in the State. He added that he doesn't see it as an almost certainty due to the decrease in federal and state funding. John said he thought it was

likely that it resource development would increase and possible that it would decrease. Lori noted that resource development might bring more people into the State. Keyur said that if a resource is found in a place where there is no infrastructure, infrastructure will have to be built. It was agreed that it would have a “Major” impact on the current transportation system.

Julie asked if a decrease in resource development would have a major impact as well. Jennifer replied that it would not be a risk to the transportation system. She added that she thought it would be insignificant or minor. Brian said that it depends on what the resource is. If it is the only option, a reduction in resource development could have a negative impact on the economy and therefore the transportation system.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Decreased resource development in the state	Freight volumes and state revenues decline, travel demand declines	Possible	Minor	Low

Andy noted the impacts resource development has on Juneau’s transportation system. From the opening to closing of mines, the impact to the current transportation system was insignificant or minor. Brian noted there wouldn’t be much of an impact if the mine is already connected to a road. In Juneau, they mines don’t use the road system. Jeff said that oil is the only resource that brings money into the state’s coffers. If resource development brings more people and places more demands on the transportation system, it will put pressure on the state.

The group talked about assigning it a “Minor” probability. Jennifer said she thought it would depend. Kathie asked where this risk statement would go and why is the planning team having the group discuss it? Jeff explained that it is helping the team determine what it should focus on the most.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Lack of ability to meet user expectation	An increase would require additional funding needs for modernization, routine maintenance, and preservation. This could lead to delayed snow removal on lower-class roads	Almost Certain	Major	High

Jeff explained to the group that DOT&PF employees have been asked to find areas to reduce the maintenance done by DOT&PF. Julie asked the group what would happen if DOT&PF is unable to meet user expectations. David Levy asked if the group could define the term “user.” Julie replied that “user” meant everyone that uses the transportation system. Brian said that the probability is 100%. Mitigating the negative impact requires that the public be better informed about the issue. Brian added that everyone wants bike lanes, more planes, etc. Lori said that she has seen user expectations increasing. The group decided that the probability of this risk statement was “Almost Certain” and that the impact of the unhappy users would be “Major.”

Delivery/Supply

Julie asked what the probability is that there would be lower state expenditures in the future. Jeff replied that there will be increased pressure to cut the budget. The group agreed that the risk statement was “Likely.” Julie asked what the impact to the transportation system would be if there wasn’t as much maintenance, there was no new infrastructure, and the AMHS system was having issues. Jeff said it would be pretty high. The capital budget will probably be below \$20 million. Significant capital and operating budgets will be cut. He added that it will be tough on the marine highway. The group agreed that the impact would be “Major.”

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Unstable/decreasing State transportation funds	- If aging infrastructure is not maintained, there will be a costly backlog of reconstruction needs - 10 year capital program defines what can be built over the next 10 years, and no new infrastructure can be built without additional funding	Likely	Major	High
Declining revenues from a stable/declining federal program and resulting cuts in subsidies	- AMHS will require periodic infusions of capital to maintain vessels - Market-driven supply to rural Alaska may end (bypass mail, essential air service, other commercial services) - Lack of Federal funding to reconstruct low volume airports	Possible	Major	Medium

Jeff noted that that it is also likely that there will be a decline in revenues from federal programs. He gave the example of the Federal Aviation Administration (FAA), which stated that they will no longer pay for airport improvements like Akutan where \$70 million was spent for 200 people. On the highway side, there may be an uptick in funding due to Congress’s announcement of bigger programs. David Levy said that the federal government will have to figure out how the state will pay for it. Jeff reminded the group that such funds would go to the NHS and federal Transit programs. It won’t go to local roads. Julie asked if this warranted a major impact rating. David Rose said that it would for aviation, but for highways it would not. He said that the funding for highways is bad at the moment, but it never “goes off the cliff.” He said that he doesn’t think it will even now. David Rose suggested that “Likely” be used for aviation and “Possible” be used for roads.

Judy said that the FAA isn't willing to put big dollars into projects, but with the smaller communities redistributing, those projects will still be needed as much as they were in the past. Lee said he doesn't think that airport funding will likely level off. FAA dictates where funding goes, unlike the Federal Highway Administration (FHWA). He said that \$230 million of funding is projected. Because the State of Alaska can pool all of the funding together, unlike states in the lower 48, he doesn't think a decrease in federal funding would be as keenly felt.

Andy noted that one of his concerns is that Congress will focus the money away from small airports. Especially since all 50 states are pulling for a surface transportation act. Under the previous acts DOT&PF was afraid that Alaska's cut would be reduced to 1/7 less than it currently is because Alaska is a donee state. Jennifer said she thinks it will be pretty stable.

The group agreed that the risk statement is "Possible" and that the impact would be "Major." Robert said he thought that the risk is likely. Jeff replied that the pie is going to be bigger. If Alaska doubled tax prices, Alaskans wouldn't even notice.

Public Policy

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Policy environment receptive to revenue increase for transportation	If aging infrastructure is not maintained, there will be a costly backlog of reconstruction needs - 10 year capital program defines what can be built over the next 10 years, and no new infrastructure can be built without additional funding	Likely	Major	High
Federal policy requirements may increase and may not always be appropriate in the Alaska environment (e.g. positive train controls, airport fencing)	- AMHS will require periodic infusions of capital to maintain vessels - Market-driven supply to rural Alaska may end (bypass mail, essential air service, other commercial services) - Lack of Federal funding to reconstruct low volume airports	Almost Certain	Major	High

When asked if the policy environment is receptive to revenue increase for transportation, David Levy said that he doesn't think it is. Kathie said that the public is for it, but the Legislature doesn't like it because of the possible impact it could have during elections. Given the reliance on federal money, it would have a major impact. David Levy said that there is a movement afoot for a transportation trust fund. While the current sponsor is not seeking reelection, it could occur because of the interest that has grown at the state level. Jennifer said that the willingness needs to be there. The MSB is going out with bonds to be matched by the State. She is encouraging the Kenai Peninsula Borough to follow suite.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Smaller federal government/employment	A decreased government presence will result in fewer residents, less employment, less spending, and less freight demand	Likely	Minor	Low

Everyone agreed that the likelihood that federal policy requirements may increase and may not be appropriate in Alaska was “Almost Certain” and that such a change could have a “Major” impact on the current transportation system.

The group agreed that smaller federal government employment in the future is “Likely.” Robert said that it may expand in the Arctic, but not everywhere else. David Levy said he didn’t think there would be a major shutdown of Eielson or Richardson. Presence might just shift to other areas of the State. It was agreed that such an event would only have a “Minor” impact.

Climate Change

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Changing climate patterns and extreme weather events, including melting/thawing of permafrost, become more prominent in some parts of the state	Increased vulnerabilities that will put the state’s transportation infrastructure at risk if not addressed; potential increase in cost of maintenance and reconstruction	Almost Certain	Major	High

The group agreed that the likelihood of changing climate patterns and extreme weather events in the future is “Almost Certain.” Robert asked if there would be a significant risk associated with it. Jennifer gave the Kodiak erosion as an example. Judy noted impacts to the Dalton Highway. Jennifer said that whether or not it is directly related, there is a threat to infrastructure. She gave the example of Hooper Bay, where yards of coastline have been lost. Brian asked what infrastructure would be impacted. Jennifer replied that airports would be impacted. Judy agreed, saying that it would mostly be airports and debris lobes on the highway. Such debris lobes have resulted in Northern Region having to redirect a portion of the Dalton Highway. Jennifer added that bridges are being undercut because of erosion around the piers. Eric Taylor (DOT&PF) noted that intense rain also leads to infrastructure impacts.

Robert said that climate change is an aspect, but it can’t be the sole cause. Judy said that the lack of sea ice pack has caused major storms to increase. David Rose said that Alaska already has extreme weather and a lack of maintenance funding. Climate change impacts are just added to the top. Jennifer said that the increase in more extreme storm events is something that can be documented. The group agreed that climate change patterns would have a major impact on the current transportation infrastructure.

Jeff said that the thinning and retreating sea ice in the Arctic Ocean has already opened up the potential for new infrastructure growth and resource extraction, citing the increase in fracking activity. The group agreed that the probability for new infrastructure development would be “Likely.” David Levy said that there are national security impacts. Russians are looking into the same opportunity and the Coast Guard is looking into moving into the area. Jennifer said that she thinks the level of impact will depend up on the State’s role. She asked if there will be a need to divert resources to that area right now. Jeff said the risk to the state’s transportation system is relatively low because the oil money will pay for the additional infrastructure.

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Thinning and retreating sea ice in the Arctic Ocean opens up the potential for new growth to materialize and infrastructure and resource development	Increased arctic traffic, new federal investment in facilities and new opportunities for Alaska and travel demands for DOT&PF to plan for and safety concerns	Likely	Moderate	Medium

Julie asked if there were any additional risks that should be considered. Kathie said that she was surprised that the risk statement doesn’t start out with “oil costs \$80 million per barrel.” She said that when she walks into the Legislature they say they don’t have the money. Julie asked if the group should add a risk statement that says “state funding variability?” Brian said that the last couple of talks the TSG have been about this issue. The lack of funding can be grouped together into one big issue. Andy said that he thinks that state funding and federal funding needs to be separated. Price volatility is not an issue unless revenue available for maintain the existing transportation system falls below what is necessary to fund maintaining our existing infrastructure in a state of good repair and continue existing levels of service. Currently oil production has declined to the point where price has become important to maintaining current state services. Jennifer said that prior to 2005, when the oil prices went way up, she didn’t have to worry about applying for a State Capital Improvements Fund. Things have changed. She suggested that the group should watch the national debate on revenues because it has a disproportional impact on Alaska, compared to other states. The group agreed to change the risk statement under Public Policy to say “Unstable/decreasing state transportation funds.”

Jeff said that MAP-21 changed our world with regards to who gets funding. Losers are the small community roads. He added that 60% of bridges in Alaska have suffered due to lack of funding. David Levy asked why more Alaska rural roads are part of the NHS. Jeff replied that Congress sets it per capita.

Others

The group decided to add another risk statement that said “very limited funds for community roads and AHS” and the consequence being that there would be “no projects on AHS and community roads.” The group agreed that the probability was “Likely” and that the impact would be “Major.”

Risk Statement	Consequence for transportation plan to consider	Probability (Remote, Unlikely, Possible, Likely, Almost Certain)	Impact on Status-Quo (Insignificant, Minor, Moderate, Major, Extreme)	Risk (High, Medium, Low)
Very limited funds for community roads and AHS	No projects on AHS and community roads	Likely	Major	High

Together, the group assigned ten “High” risk statements, three “Medium” risk statements, and two “Low” risk statements. Having a “High” risk does not necessarily mean that it is a negative risk, but that it is something that the planning team should consider as it drafts its policies, strategies, and actions for the LRTP.

Jennifer asked if the lack of ability to meet user expectations is something that this plan really needs to address as a high risk area. Brian suggested it is important to manage expectations versus reality gaps. Julie agreed that outrage is a risk. Brian said that it is more of a political/professional risk than an infrastructure risk. Julie added that it would impede DOT&PF’s ability to get stuff done. Keyur said the planning team could explain what DOT&PF’s responsibility is and how it applies to projects, explaining where the gap is and how it might be resolved. Kathie said that if people have different opinions and they bring it to the decision-makers, which can cause issues. Julie suggested that an education component is necessary.

Preliminary Policies, Strategies, and Actions

Following a short break, the group discussed the Preliminary Policies, Strategies, and Actions handout. In essence, this is the preliminary plan.

David Rose said that the project team has taken the input that has been given to-date and combined it with the trend analysis to come up with preliminary conclusions. He noted that the planning team used the technical analysis to update the existing plan’s policies, strategies, and actions. He said that the statewide plan provides direction to the regional plans and modal plans (railroad, aviation, etc.). He added that there is also an existing 10-year Capital Improvement Plan (CIP) and STIP that need to be considered.

Plan and Goals

The first page of the handout is intended to act as a brief plan summary. It includes the following goals:

1. Deliver the 10 Year Capital Improvement Plan
2. Proactively monitor evolving economic projects and align capital investments to serve them
3. Preserve the Alaska Transportation system to meet MAP-21 Performance Targets (once the targets are formalized, focusing on safety, pavement and bridge condition)
4. Prioritize modernization investments and new construction based on their impact on transportation system performance
5. Address Anchorage/region mobility through MPO and regional plans with emphasis on modernization to improve capacity and reduce safety risks
6. Address safety and security risks by improving transportation system resilience and redundancy
7. Manage and operate the system to improve operational efficiency and reduce safety risk

Goal number one is to deliver the 10-year CIP. He explained that this is important because the LRTP is a 20-year plan. The life of the CIP is only half as long. The policies and approach in this plan would guide updates to the CIP.

The second goal is to monitor capital investments proactively. David Rose explained that the plan will look into how such investments respond to infrastructure needs on the road system and resource development. This goal is tied to economic projects.

The third goal is to preserve the transportation system. David Rose said that the aim would be to deliver the 10-year plan, while also staying tuned to what is occurring and respond to economic project needs. Jennifer stated that pavement and bridge improvements are really focused on the NHS. She added that it is important for people to understand that DOT&PF is responsible for everything else.

The fourth goal is to prioritize modernization investments. This means that the state should choose where to build new facilities versus modernization so that the project meets its actual objectives.

The fifth goal is to address the needs of urban areas. The sixth and seventh goals are to address the safety performance, accessibility, and mobility needs.

Strategies

Strategies should align with outcomes. The strategies identified for the plan include:

1. Align outcomes, plans and projects based on performance-based resource allocation
2. Manage the system to increase performance and reduce risk
3. Increase revenue and provide accountability

Policy Areas

Goal statements and narratives lead to the following policy and action areas:

New Facilities	Modernization	System Preservation	System Management and Operations
Economic Development	Safety and Security	Livability, Community and Environment	Good Government

David Rose asked if there were any questions about the structure of the plan. Robert asked how it relates to the area plans. The LRTP is overarching umbrella. When the area plans are due to be updated, they will align themselves with the current LRTP. Robert asked if the Southeast plan will be aligned with the LRTP. David said that the Southeast plan update began before the LRTP, so not necessarily. Robert noted that the Southeast plan won't be updated for 5-10 years. David said that then it won't align with the LRTP for 5-10 years. Robert noted in that case, the LRTP won't have a significant impact on the current area plans or area plans currently in development.

Andy responded that area plans can be updated at any time. The Southeast plan was updated a year after its production in 1999 with a minor update. As we move ahead with current plans, DOT&PF staff should be prepared to do a minor updates for addressing policy issues where plans don't align. He added that he thinks it would be worthwhile for the statewide policy plan to provide direction as to what kind of information and issues, and what level of policy and funding priority issues, should be addressed at the area plan level and the CIP level. Andy suggested that the planning team also make reference to state statutes that have to be adhered to so as to make them defensible with respect to cost-effectiveness

requirements. Andy noted that the Southeast plan is focusing on major capital improvement projects, but is not listing projects that go into the STIP or short-term capital improvement program. Andy added that Southeast DOT&PF has been having issues deciding what should be in the area-wide plan. He noted that there are differences of opinion regarding whether the area plans should try to have funding targets and have it be accompanied by an implementation plan rather than making it a “wish list.”

Robert stated that this would make it more vertically integrated. Andy said policy plans, area plans, modal plans, and short-term improvement plans all fall underneath the Statewide LRTP. David Rose added that DOT&PF staff will see actions that are suggested in the LRTP, but they won't be as specific as they would want for their respective area plans. Andy said he didn't know if it is a good idea to have too much focus on what should be in another plan. He suggested that strict differences in area plans should be used to decide what works best.

David Rose noted that two of the policy areas are new facilities and modernization, and this is how projects would be grouped in the CIP. In both cases, the goals statements for new facilities and modernization were specific about the purpose of investments. David Rose noted that the planning staff can evaluate investments against how much they are contributing to those goals. This encourages a performance-based system.

Actions

Non-freight actions include:

1. Align investment, project selection and prioritization in regional plans with the 10 Year Capital Improvement Plan, plan policy and system performance targets (MAP-21 Targets preliminary to be set through long-range plan update pending rule making).
2. Establish a formal process to link project selection and prioritization in the 10 year CIP and the statewide transportation improvement program that aligns resources between Long-Range Plan policy areas (categories of need) based on transportation system performance targets.
3. Target State surface transportation finance responsibilities on the National Highway System, Alaska Highway System, and other high-functional class routes.
4. Establish a formal methodology to prioritize projects within long-range plan policy areas (categories of need).
 - o Expand the prioritization framework used for Statewide Transportation Improvement Program (STIP) project prioritization
5. Establish consistency between regional plans and formalize their role in the identification of new facilities and modernization improvements to be advanced into the 10 Year Capital Improvement Plan and the Statewide Transportation Improvement Program (STIP).
9. Implement new technologies such as Intelligent Transportation Systems and other tools to improve processes and system productivity.
11. Implement new technologies such as Intelligent Transportation Systems and other tools to improve processes and system productivity.
12. Incorporate demand management and multimodal solutions into transportation plans at all levels.
13. Establish Asset Strategy and Asset Management plans for DOT&PF transportation infrastructure by asset class.
14. Need for consistency in regional plans to address overarching asset strategy and management plans

15. Implement consistent formalized process linking the asset management plans for pavement, structures, and ancillary assets to project selection and scope.
16. Strengthen analytical and reporting capabilities to support asset management planning and reporting (including MAP-21 reporting).
17. Preserve transportation corridors in high growth areas through corridor management planning, advance acquisition of right-of-way, and coordination with land use planning.

Blue text in the handout is specific to freight.

Andy said that he would add an airport improvement program under Action Item #4. He added that we often just overlook air. David Rose replied that Action Items 1-5 are really about alignment of the plans. Judy asked if one issue is that we can't update our internal plans to keep them up-to-date. Jeff added that updating plans takes money away from pavement. Andy said that area plans are required to be updated every five years. David Rose said that he thinks there are ways to achieve continuity without having to update the plans. He said that his sense is that you can work backwards into the LRTP. This would provide a consistent way to look at projects against modernization and preservation.

Judy said that she saw some major changes associated with DOT&PF's Northern Region bypass mail in 2003. It will probably 15 to 20 years until it is updated. Andy said that it is really closer to the STIP planning. He asked what the point is of having the 10-year CIP. Jeff said that it is supposed to be a snapshot that extends beyond the four-year STIP. He added that prioritization will be hard. Things change. He noted that people in Southcentral would say that fixing Cooper Landing is their top priority, but it can't get past the environmental impact statement. We would be challenged by having a high-priority project that isn't proceeding. Judy said that the one thing that we haven't had is a way of weighing relative priority on the NHS. Jeff said that DOT&FPF has been funding projects that have been ready to be funded and constructed. It has to go to another project if it isn't used, and there is no way around it. Andy asked about projects that don't fit the criteria.

Jennifer said that she isn't sure about Action Item #4. She said it seems more appropriate for the STIP. John said that FHWA has its priorities, but they can't always be delivered in a logical manner due to funding and politics.

With people leaving the meeting, Julie noted that the TSG will have an electronic version of the preliminary draft LRTP to look at in December. She said that if anyone had thoughts on the action items, they should let her or David Rose know so those comments can be incorporated. There will be an online open house in February, and that is when the preliminary draft document will be released to the public. The final draft will be sent out during the March/April timeframe.

This is the last meeting of the TSG.

A small group continued to discuss action items in more detail.

David Rose explained that preservation is purely asset management. Jennifer said that one of the things that makes this a lot more doable is adoption of an expedited 1R standard. She noted that you can turn it around in one to two years, rather than a full 3R. Jeff added that the amount of work done that is 1R is incredible. David Rose said that for each of the actions the planning staff will generate a few sentences (strategies) to describe it.

Jennifer noted that we are going to see a lot more uniformity among the regions. David Rose asked if doing more 1R projects is Central Region's asset management program. Jennifer said she doesn't think it

was intended to be used in that fashion, but that through practice it has become an asset management program of sorts due to the volatility of bills that have been simmering along. She added that they have been churning out a lot of asphalt, which is good, but it isn't growing the system or providing capacity. Rather, it is helping the region catch up on 30 years of maintenance.

Andy said that IR projects aren't really asset management. He stated that it helps DOT&PF out with its asset needs, but it is a program of obligated money and use towards the low-hanging-fruit projects. David Rose said that as long as DOT&PF is doing projects where it is technically warranted, then in an asset management sense it may not be dealing with the worst condition, but it is dealing with the right thing at the right time. Andy agreed, saying that it is based on the financial situation. Jennifer said that Central Region has benefited from it. Jeff stated that projects have not been driving the highest priority. Rather, they have been driven by those projects that are NEPA-ready. IR projects are NEPA-ready.

David Rose explained that this plan has additional emphasis on safety and security. He noted that Alaska is at a greater risk due to the extreme weather events and the other risks imposed because the Alaska transportation system has very little redundancy. Jennifer said that safety and security can be considered until the cows come home. Andy added that the state can't afford redundancy. David Rose asked that if it was really important, should it still not be included. Jennifer replied that it should be considered, but the reality is that it won't be acted upon. Jeff provided the example of the need for redundancy on the Yukon River Bridge. Judy added that redundancy is also needed to transport people into or out of Anchorage. Andy said that redundancy needs to be considered more in urban areas.

Jennifer noted that there is no regional plan for the MSB. She said that this means that it relies on the LRTP. She said that DOT&PF has asked the MSB to look into fiscal constraints even though they aren't required to do so. She said that DOT&PF might need to be looking at an NHS plan for the region. Jennifer stated that the reality of how DOT&PF has dealt with the MSB is that it is a real challenge with the tremendous growth that is ongoing. Andy agreed that it costs us a lot of money to maintain roads that should be covered by the local governments.

David Rose directed the group to Page 12, where the funding section is located. He noted that there is an action issue for new regional funding models. He said that the thought was that there are regional needs and so there should be new, regional ways to fund them, such as a regional tax or sales tax. Robert noted that it would be a 63/35 split. Policy recommendations can be added to the LRTP.

Julie told the group that she would email a word version of the document that shows what is new and what is old. David Rose said he needs to incorporate some of the changes that were discussed at this meeting first and the group should provide additional comments by November 21, 2014.

At this point in the discussion, Julie Jessen noted the time and closed the discussion.

Summary

In general, it was agreed that, of the 17 risk statements posed by the planning team, ten were high risk, three were medium risk, and two were low risk. These high-risk statements, both with negative and positive connotations, will be examined further during the development and refinement of the LRTP. Key issues that were brought up included the lack of funding and the strain placed on the State coffers due to the lack of support from the local and federal governments. The group also addressed the challenges of prioritizing projects when outside factors can influence the order in which they can be completed. One risk statement was added to the list presented by the planning staff. This was that it is likely that there will be very limited funding for community roads and the AHS, and that this will have a major impact on the

status-quo of the current transportation system. For the most part, resolutions to problems were not discussed during this meeting. Attendees will be providing comments on the preliminary policies, strategies, and actions handout over the next three weeks.

Next Steps

This was the last TSG meeting for this LRTP update process. The planning staff asked that the attendees review the preliminary policies, strategies, and actions handout and provide comments by November 21, 2014. The project team will have a preliminary draft for the TSG to review in December. In February, the preliminary draft will be released to the public via an online open house. The final draft is expected to be sent out during the March/April timeframe, and the document finalized by April 2015.

Notes by: HDR