

**State of Alaska**  
**FY2007 Governor's Operating Budget**

**Department of Transportation/Public Facilities**  
**Knik Arm Bridge/Toll Authority**  
**RDU/Component Budget Summary**

**RDU/Component: Knik Arm Bridge/Toll Authority**

*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)*

**Contribution to Department's Mission**

Knik Arm Bridge and Toll Authority is established in Alaska Statute 19.75. The purpose of the authority is to develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with construction of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough.

**Core Services**

The Knik Arm Bridge and Toll Authority (KABATA) will construct, own and operate a toll facility across Knik Arm at Anchorage. In order to achieve this it is anticipated that the next two to three years will be needed to comply with the National Environmental Policy Act (NEPA) process, secure the necessary permits, furnish a suitable design and contract for construction work. An additional 2 ½ to 3 years will be needed to finish actual construction and get the facility into an operational stage.

**FY2007 Resources Allocated to Achieve Results**

<b>FY2007 Component Budget: \$851,300</b>	<b>Personnel:</b>	
	Full time	8
	Part time	0
	<b>Total</b>	<b>8</b>

**Key Component Challenges**

During the calendar year of 2006 the following activities will take place:

1. Completion of the Environmental Impact Statement (EIS), issuance of a Record of Decision and permits.
2. Completion of a financial plan and work on loans, underwriting mechanisms, grants and bond issues and securing revenue from various funding sources, including State of Alaska.
3. Engineering, design, utilities, Right-of-Way, and other pre-construction activities and procurements of design and build and possibly finance services, and decision on a delivery system.
4. Possible construction of initial segments of the project.

This is a challenging schedule considering the complexity and size of the project. It could not be done without the resources provided by the Federal Highway Administration (FHWA) and the support of major agencies in a streamlined NEPA process. Unlike regular capital projects, this project, owned by a toll authority, needs to identify various funding sources and has to develop a complex financial plan and budget. In addition it has been declared a "Mega Project" by FHWA and has to adopt a compatible management structure and select a suitable delivery system during the first half of 2006.

**Significant Changes in Results to be Delivered in FY2007**

Two new positions are being requested in FY07: A Chief Financial Officer and a Senior Civil Engineer.

The project development calls for completion of the EIS, issuance of the necessary permits and procurement of delivery services through pre-construction activities into start-up of construction.

## Major Component Accomplishments in 2005

During 2005 all field studies were completed. Scoping and screening processes were finished.

KABATA received major funding from Congress through the SAFETEA-LU Transportation Act. Conceptual design and preliminary financial plans were initiated.

## Statutory and Regulatory Authority

AS 19.75

Contact Information
<p><b>Contact:</b> Heinrich K. Springer, Executive Director <b>Phone:</b> (907) 269-6679 <b>Fax:</b> (907) 269-6697 <b>E-mail:</b> Henry_Springer@dot.state.ak.us</p>

**Knik Arm Bridge/Toll Authority  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2005 Actuals</b>	<b>FY2006 Management Plan</b>	<b>FY2007 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	339.6	590.1	851.3
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>339.6</b>	<b>590.1</b>	<b>851.3</b>
<b>Funding Sources:</b>			
1061 Capital Improvement Project Receipts	339.6	590.1	851.3
<b>Funding Totals</b>	<b>339.6</b>	<b>590.1</b>	<b>851.3</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2005 Actuals</b>	<b>FY2006 Management Plan</b>	<b>FY2007 Governor</b>
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Capital Improvement Project Receipts	51200	339.6	590.1	851.3
<b>Restricted Total</b>		<b>339.6</b>	<b>590.1</b>	<b>851.3</b>
<b>Total Estimated Revenues</b>		<b>339.6</b>	<b>590.1</b>	<b>851.3</b>

**Summary of Component Budget Changes  
From FY2006 Management Plan to FY2007 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2006 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>590.1</b>	<b>590.1</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	10.9	10.9
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	1.1	1.1
-FY 07 Retirement Systems Cost Increase	0.0	0.0	15.9	15.9
<b>Proposed budget increases:</b>				
-Risk Management Self-Insurance Funding Increase	0.0	0.0	6.0	6.0
-Add Civil Engineer and Chief Financial Officer positions	0.0	0.0	227.3	227.3
<b>FY2007 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>851.3</b>	<b>851.3</b>

**Knik Arm Bridge/Toll Authority  
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	6	8	Annual Salaries	565,646
Part-time	0	0	COLA	15,113
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	276,115
			<i>Less 0.65% Vacancy Factor</i>	<i>(5,574)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>6</b>	<b>8</b>	<b>Total Personal Services</b>	<b>851,300</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	1	0	0	0	1
Administrative Manager	1	0	0	0	1
Chief Financial Officer	1	0	0	0	1
Civil Engineer, KABATA	1	0	0	0	1
Dep Executive Director Kabata	1	0	0	0	1
Director R&E Affairs Kabata	1	0	0	0	1
Ex Dir Knik Arm Brdg/Toll Auth	1	0	0	0	1
Financial Manager, KABATA	1	0	0	0	1
<b>Totals</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>