

**State of Alaska
FY2013 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

The Knik Arm Bridge and Toll Authority (KABATA) will 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 toll bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough (AS 19.75.011).

Core Services

- To secure the financing, design, construction, operation, and maintenance of a toll bridge and related facilities across the Knik Arm between Anchorage and the Mat-Su. The State will own the toll bridge, related facilities and all toll revenue.

Key Component Challenges

- Procurement/Financing – First phase of the Knik Arm Crossing will be delivered under an Availability fee Public-Private Partnership. Qualified and shortlisted teams will have the opportunity to respond to a Request for Proposals (RFP) to finance, design, construct, operate and maintain the toll facility. KABATA will complete contract documents, release the RFP and obtain proposals during FY2013.
- Obligate, on behalf of successful development team, Transportation Infrastructure Financing and Innovation Act (TIFIA) credit and Private Activity Bonds (PAB's) allocation. KABATA has obtained from the Federal Highway Administration (FHWA) an allocation of \$600 million of the PABs capacity provided by USDOT, which is ready to be obligated. KABATA will resubmit a TIFIA Letter of Interest for low-cost TIFIA credit for the Project. KABATA is also preparing a Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant application to help fund the project.
- Complete Major Permits – Obtain U.S. Army Corps of Engineers permit and the Letter of Authorization (LOA) for working in proximity to the Cook Inlet Beluga Whales. The LOA is issued under the Marine Mammal Protection Act from National Marine Fisheries Service (NMFS).
- Right-of-way (ROW)– Substantially complete ROW by acquiring private parcels, municipal, Department of Defense, Mat-Su Borough and submerged lands as necessary for phase I construction.
- Legislation – Passage of SB80 and HB158 in calendar year 2012 will aid in the successful procurement of the Knik Arm Crossing, reduce the cost of project finance and generate the best value to the State of Alaska.
- Transition from Project Development to Operations. Establish tolling and operating regulations and policies. Install accounting system and acquire trustee to support KABATA as a business type enterprise.

Significant Changes in Results to be Delivered in FY2013

Obtain firm financial and technical contractual terms through evaluation of formal proposals in response to RFP. Obtain environmental permits and right-of-way necessary to begin construction. Provide, within the Authority's corporate structure, appropriate regulations, policies and procedures for an operating Toll Authority.

Major Component Accomplishments in 2011

- Record of Decision (ROD) was issued by the Federal Highway Administration (FHWA) confirming a build alternative and providing location approval. The ROD was published in the Federal Register January, 2011. A legal challenge of the ROD was filed against FHWA in U.S. District Court by the Municipality of Anchorage. A settlement agreement between the State, Alaska Railroad and the Municipality resulted in the complaint being withdrawn – perfecting the Build Record of Decision.
- Endangered Species Act (ESA) – A Biological Opinion (BO) was issued by NMFS stating the crossing would not jeopardize the continued existence of the Cook Inlet Beluga Whales nor would it adversely affect critical habitat. This favorable BO allowed FHWA to issue its Record of Decision.

- Right-of-Way (ROW) – Appraisal and Acquisition of ROW was authorized by FHWA. Acquisition of public and private parcels was initiated.
- Major Permit Application – submitted with U.S. Army Corps of Engineers in accordance with Section 404 of the Clean Water Act. Multi-disciplined engineering and environmental analysis completed to verify construction techniques and protection of environmental resources.
- Procurement and Financing – KABATA adopted procurement regulations as required by AS 19.75, issued a Request for Qualification (RFQ), obtained and evaluated six Statements of Qualification (SOQs) and short listed development teams who will have the opportunity to partner with the State through competition in response to the Request for Proposals (RFPs). Financial plans, traffic, revenue, and other studies were updated to support the procurement and pending legislation.
- Legislation – introduced to provide structural changes to AS 19.75 and establish a project reserve fund. Legislation passed Senate and House Transportation and remains in Finance Committee. Legislation will aid in the successful procurement of the Knik Arm Crossing, reduce the cost of project finance and generate the best value to the State.
- Public Outreach and Involvement - KABATA hired a spokesperson to manage public affairs. The Authority provided project updates to community organizations, local governments, industry associations, and other stakeholders. The KABATA web site was continuously updated to keep our community and stakeholders informed of the status of the project. The Authority also participated in local and national radio talk show segments, published several newsletters, and issued several press releases about the project to keep the public informed.

Statutory and Regulatory Authority

AS 19.75 Knik Arm Bridge and Toll Authority

Contact Information
Contact: Andrew J. Niemiec, Executive Director Phone: (907) 334-4490 Fax: (907) 269-6697 E-mail: andrew.niemiec@alaska.gov

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

All dollars shown in thousands

	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	988.5	1,388.7	1,417.7
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
Expenditure Totals	988.5	1,388.7	1,417.7
Funding Sources:			
1061 Capital Improvement Project Receipts	988.5	1,388.7	1,417.7
Funding Totals	988.5	1,388.7	1,417.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	988.5	1,388.7	1,417.7
Restricted Total		988.5	1,388.7	1,417.7
Total Estimated Revenues		988.5	1,388.7	1,417.7

**Summary of Component Budget Changes
From FY2012 Management Plan to FY2013 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2012 Management Plan	0.0	0.0	1,388.7	0.0	1,388.7
Adjustments which will continue current level of service:					
-FY2013 Salary Increases	0.0	0.0	21.5	0.0	21.5
-FY2013 Health Insurance Increases	0.0	0.0	7.5	0.0	7.5
FY2013 Governor	0.0	0.0	1,417.7	0.0	1,417.7

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

Authorized Positions			Personal Services Costs	
	FY2012 Management Plan	FY2013 Governor		
Full-time	9	8	Annual Salaries	826,800
Part-time	0	0	COLA	22,163
Nonpermanent	0	0	Premium Pay	1,761
			Annual Benefits	433,487
			Less 0.00% Vacancy Factor	(0)
			Lump Sum Premium Pay	75,400
			Board Honoraria	58,093
Totals	9	8	Total Personal Services	1,417,704

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Manager	1	0	0	0	1
Dep Exec Dir Proj Devel Kabata	1	0	0	0	1
Environmental/Sec 106 Liaison	1	0	0	0	1
Exe Dir Knik Arm Bdg Toll Auth	1	0	0	0	1
Kabata Chief Engineer	1	0	0	0	1
Kabata Chief Financial Officer	1	0	0	0	1
Office Asst IV	1	0	0	0	1
Project Manager	1	0	0	0	1
Totals	8	0	0	0	8

Component Board Summary

Board Description	Member Count	Pay Per Day	Budgeted Days	Additional Pay	Total Cost
Knik Arm Bridge and Toll Authority	3	300.00	60	0.00	58,093.20
Total					58,093.20

Component Detail All Funds
Department of Transportation/Public Facilities

Component: Knik Arm Bridge/Toll Authority (2715)

RDU: Knik Arm Bridge/Toll Authority (498)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	988.5	1,388.7	1,388.7	1,388.7	1,417.7	29.0	2.1%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	988.5	1,388.7	1,388.7	1,388.7	1,417.7	29.0	2.1%
Fund Sources:							
1061 CIP Rcpts (Other)	988.5	1,388.7	1,388.7	1,388.7	1,417.7	29.0	2.1%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	988.5	1,388.7	1,388.7	1,388.7	1,417.7	29.0	2.1%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	9	9	9	9	8	-1	-11.1%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Transportation/Public Facilities

Component: Knik Arm Bridge/Toll Authority (2715)

RDU: Knik Arm Bridge/Toll Authority (498)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee	ConfCom	1,388.7	1,388.7	0.0	0.0	0.0	0.0	0.0	0.0	9	0	0
1061 CIP Rcpts		1,388.7										
Subtotal		1,388.7	1,388.7	0.0	0.0	0.0	0.0	0.0	0.0	9	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
Subtotal		1,388.7	1,388.7	0.0	0.0	0.0	0.0	0.0	0.0	9	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Delete Long-Term Vacant Positions	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 25-991X (FT)												
FY2013 Salary Increases	SalAdj	21.5	21.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		21.5										
FY2013 Salary Increases: \$21.5												
FY2013 Health Insurance Increases	SalAdj	7.5	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		7.5										
FY2013 Health Insurance Increases: \$7.5												
Totals		1,417.7	1,417.7	0.0	0.0	0.0	0.0	0.0	0.0	8	0	0

Department of Transportation/Public Facilities

Scenario: FY2013 Governor (9494)
Component: Knik Arm Bridge/Toll Authority (2715)
RDU: Knik Arm Bridge/Toll Authority (498)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
25-973X	Exe Dir Knik Arm Bdg Toll Auth	FT	A	XE	Anchorage	NAA	27O / P	12.0		149,208	3,928	0	69,716	222,852	0
25-974X	Administrative Manager	FT	A	XE	Anchorage	NAA	21D / E	12.0		77,478	2,135	0	45,223	124,836	0
25-975X	Office Asst IV	FT	A	XE	Anchorage	NAA	12F / J	12.0		45,792	1,310	1,761	33,921	82,784	0
25-986X	Dep Exec Dir Proj Devel Kabata	FT	A	XE	Anchorage	NAA	25N / O	12.0		129,154	3,400	0	63,371	195,925	0
25-988X	Kabata Chief Financial Officer	FT	A	XE	Anchorage	NAA	24S / T	12.0		149,652	3,940	0	69,857	223,449	0
25-989X	Kabata Chief Engineer	FT	A	XE	Anchorage	NAA	24L / M	12.0		115,656	3,045	0	59,100	177,801	0
25-990X	Project Manager	FT	A	XE	Anchorage	NAA	22B / C	12.0		78,356	2,159	0	45,555	126,070	0
25-991X	Project Mgr P3 Contract	FT	A	XE	Anchorage	NAA	25A	12.0		0	0	0	0	0	0
25-992X	Environmental/Sec 106 Liaison	FT	A	XE	Anchorage	NAA	21E / F	12.0		81,504	2,246	0	46,744	130,494	0

	Total Positions	New	Deleted	Total Salary Costs:	826,800
Full Time Positions:	8	0	1	Total COLA:	22,163
Part Time Positions:	0	0	0	Total Premium Pay:	1,761
Non Permanent Positions:	0	0	0	Total Benefits:	433,487
Positions in Component:	8	0	1	Total Pre-Vacancy:	1,284,211
				Minus Vacancy Adjustment of 0.00%:	(0)
				Total Post-Vacancy:	1,284,211
Total Component Months:	96.0			Plus Lump Sum Premium Pay:	75,400
				Plus Board Honoraria Pay:	58,093
				Personal Services Line 100:	1,417,704

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1061 Capital Improvement Project Receipts	1,284,211	1,284,211	100.00%
Total PCN Funding:	1,284,211	1,284,211	100.00%

Lump Sum Funding Sources:	Amount	Percent
1061 Capital Improvement Project Receipts	75,400	100.00%
Total Lump Sum Funding:	75,400	100.00%

Restricted Revenue Detail
Department of Transportation/Public Facilities

Component: Knik Arm Bridge/Toll Authority (2715)
RDU: Knik Arm Bridge/Toll Authority (498)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51200	Capital Improvement Project Receipts				988.5	1,388.7	1,417.7
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51201	Direct CIP Receipts CIP receipts for work indirect support of capital projects.				988.5	1,388.7	1,417.7