



U.S. DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION
ALASKA DIVISION
709 W. 9TH STREET, ROOM 851
P.O. BOX 21648
JUNEAU, ALASKA 99802-1648

FEDERAL TRANSIT ADMINISTRATION 915
SECOND AVENUE, SUITE 3192
SEATTLE, WASHINGTON 98174

September 26, 2024

Mr. Ryan Anderson, P.E., Commissioner
Alaska Department of Transportation and Public Facilities
P.O. Box 112500
3132 Channel Drive
Juneau, AK 99811

Subject: 2024 – 2027 Alaska State Transportation Improvement Program (STIP) Amendment #1

Dear Mr. Anderson:

On August 28, 2024, we received the Department of Transportation & Public Facilities (DOT&PF) 2024 – 2027 Statewide Transportation Improvement Plan (STIP) Amendment #1. Upon thorough review of the STIP submittal, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) have determined that pursuant to 23 CFR 450.220(b)(1)(iii), the STIP Amendment #1 is Partially Approved. The following projects and language are excluded from STIP approval:

- 34545 - Chena River Railroad Bridge Replacement – ARRC
- 34547 - City of North Pole: Alaska, Drainage Project - City of North Pole
- 34130 - Richardson Highway Milepost 346 Northbound Chena Bridge Replacement
- 12641 – Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]
- 34564 - Fast End Roads Design Refresh - Nome Eskimo Community
- 34567 - High Ridge Road Phase Two - Igiugig Village
- 34578 - Manokotak First, Second, Third Street Rehabilitation Road Project - Manokotak Village
- 34583 - Minto Community Street Improvement - Native Village of Minto
- 34587 - Old John Lake Trail -Arctic Village Council

- 34590 - Pedro Bay Landfill Access Road - Pedro Bay Village
- 34608 - Tribal Way Road Improvement- Sitka Tribe of Alaska
- 34625 - White Mountain Community Streets - Native Village of White Mountain
- 34562 - Ekwok Road Spot Safety Improvements Preliminary Engineering - Native Village of Ekwok
- 34568 - Hillcrest Drive and Bayou Loop Road Safety Improvements Design Project - Native Village of Clarks Point
- 34569 - Huslia Streetlight Illumination Project - Huslia Village
- 34571 - Kasaan Access Road Killer Hill Realignment- Organized Village of Kasaan
- 34577 - Main Street Spot Safety Improvements Preliminary Engineering - Native Village of New Stuyahok
- 34582 - Mile Post 111.5 Richardson Highway Turn Lanes Project - Native Village of Gakona
- 34584 - Naknek Pedestrian Path Construction Project - Naknek Native Village Council
- 34586 - Nerka Infrastructure Safety Improvements - Curyung Tribal Council
- 34591 - Pilot Point Brush Cutting & Signs Program Startup - Native Village of Pilot Point
- 34593 - Preliminary Engineering for Safety Improvements on Walden Point Road and Airport Road - Metlakatla Indian Community
- 34605 - Systemic Application of Roadway Departure Countermeasures - Native Village of Noatak
- The statement in STIP Narrative, Advance Construction section, stating, “Payback of advance construction may be considered through administrative actions versus STIP amendments.”

FHWA and FTA are required to make a joint Federal Planning Finding (FPF) on the extent to which the transportation planning processes through which statewide transportation plans and programs are developed is consistent with 23 U.S.C. 134 and 135 (for FHWA) and 49 U.S.C. 5303 and 5304 (for FTA). The FPF review includes a determination whether the STIP Amendment #1 and the Metropolitan Planning Organization (MPO) Transportation Improvement Programs (TIPs) were developed in accordance with applicable requirements. The issuance of a FPF is a prerequisite to FHWA and FTA’s approval of the STIP and STIP amendments (23 U.S.C. 135(g)(7) and 49 U.S.C. 5304(g)(7)).

This FPF provides the conditions by which the STIP Amendment is approved. The FPF provides corrective actions reflecting non-compliance with the Federal regulations and recommendations to support improvements to the planning and STIP development processes. All corrective actions must be addressed through the development of a STIP Action Plan. This Action Plan will be developed in coordination with FHWA and FTA and will result in at least monthly status meetings to ensure timely resolution of all corrective actions.

We appreciate the DOT&PF’s engagement over the months to improve the STIP and coordination processes and look forward to the advancement of projects in Alaska.

If you have any questions, please reach out to Julie Jenkins at julie.jenkins@dot.gov and Ned Conroy at ned.conroy@dot.gov.

Sincerely,

Sandra A. Garcia-Aline
Division Administrator
Federal Highway Administration
Alaska Division

Susan Fletcher, P.E.
Regional Administrator
Federal Transit Administration
Region 10

Attachment:

Federal Planning Finding (FPF)

Electronically cc:

Katherine Keith, Deputy Commissioner, DOT&PF

Dom Pannone, Director, Program Management and Administration, DOT&PF

Ned Conroy, FTA, Senior Community Planner

Aaron Jongenelen, AMATS, Planning Manager and MPO Coordinator

Jackson Fox, FAST Planning, Executive Director

Kim Sollien, MatSu MVP, MPO Coordinator

Alaska

2024-2027 Statewide Transportation Improvement Program

Amendment #1

Federal Planning Finding

Introduction

Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) are required to make a joint Federal Planning Finding (FPF) on the extent to which the transportation planning processes through which statewide transportation plans and programs are developed is consistent with 23 U.S.C. 134 and 135 (for FHWA) and 49 U.S.C. 5303 and 5304 (for FTA). The FPF review includes a determination whether the Statewide Transportation Improvement Program (STIP) and the Metropolitan Planning Organization (MPO) Transportation Improvement Programs (TIPs) were developed in accordance with applicable requirements. The issuance of a FPF is a prerequisite to FHWA and FTA's approval of the STIP and STIP amendments (23 U.S.C. 135(g)(7) and 49 U.S.C. 5304(g)(7)).

While Alaska Department of Transportation & Public Facilities (DOT&PF) have made many improvements throughout STIP Amendment #1, there remain several key issues that must be resolved in order to meet the requirements of 23 U.S.C. 134 and 135 and 49 U.S.C. Therefore, the FPF for the Alaska DOT&PF STIP Amendment #1 contains many of the same Corrective Actions and Recommendations previously identified in the March 27, 2024 Federal Planning Finding.

Resolution of the Corrective Actions and, as appropriate, the Recommendations identified in this FPF will be accomplished through the joint development of a STIP Action Plan. This Action Plan will be developed in coordination among the Alaska DOT&PF, FHWA and FTA. For each Corrective Action and, as appropriate, each Recommendation, the Action Plan will:

- Identify tasks to be taken to resolve the Corrective Action or Recommendation;
- Assign staff within the DOT&PF and MPOs (as appropriate) to lead the execution of the tasks;
- Commit to a date specific deadline to resolve the Corrective Action or Recommendation.

FHWA and FTA will establish at least monthly meetings to review the STIP Action plan progress and to discuss and address key issues or concerns. The Action Plan must be developed in coordination with FHWA and FTA and must be completed by December 6, 2024, and submitted to FHWA and FTA by that date.

Federal Action Definitions

The FPF outlines the Federal planning regulations for which there are findings based on review of the

STIP and other required planning processes and activities. Findings act as the official record for what State DOTs and MPOs are doing well, where improvements are needed and where there are compliance issues that must be resolved. For each finding, a Federal action is also documented. These actions are defined as:

- **Corrective Actions:** Items that do not meet statutory and regulatory requirements. Each corrective action requires action by the State and/or MPO.
- **Recommendations:** Items that meet the statutory and regulatory requirements but may represent opportunities to improve the transportation planning processes.
- **Commendations:** A planning activity that demonstrates innovative, highly effective, well-thought-out procedures for implementing the planning requirements or represents a national model for implementation and can be cited as an example for others.

Status of March 27, 2024, Corrective Actions

Tier 2 Corrective Actions	Corrective Actions	FHWA/FTA Determination
1. 23 CFR 450.208 Coordination of Planning Process Activities	a. The DOT&PF must develop and implement processes and procedures for a continuing, cooperative and comprehensive planning process that meets the requirements of 23 CFR 450.208. These documented procedures should also include the DOT&PF's role and responsibility for oversight of MPOs, and procedures for air quality conformity, Unified Planning Work Program development, MPO Certifications, STIP development, and other joint planning processes.	Unresolved
2. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.	b. The STIP must document the public involvement processes including the involvement and coordination with affected local and appointed officials and the disposition of public comments.	Resolved
	c. The STIP must provide access to or include the disposition of public comments.	Unresolved
	d. The DOT&PF must develop and/or document the Tribal consultation process used to establish the formal Tribal consultation processes used to engage and consult with each Federally recognized Tribe in Alaska. Tribal consultation must be demonstrated and documented for all Federal planning and programming processes including in the STIP.	Resolved
3. 23 CFR 450.218 Development and Content of the Statewide Transportation Improvement Program (STIP)	e. As part of the coordination processes, the STIP must document and reference the TTIP and FLMA TIP. This includes where these documents are located within the STIP, and the processes used to include these documents upon availability.	Resolved
4. 23 CFR 450.218 (h)(2) Total Project Cost	f. Each project programmed in the STIP must document the estimated total cost of the project. This includes all phases and all funds spent in previous STIPs and anticipated for future years beyond the last year of the STIP.	Resolved
5. 23 CFR 450.218(l) – Year of Expenditure:	g. All costs and revenue estimates identified in the STIP must reflect YOY and be based on an inflation factor consistent with state policies.	Resolved
6. 23 CFR 450.218(m) Fiscal Constraint	h. The term “LEDGER” must be defined and documented in the STIP. Any use of the term must be done so consistently with the documented definition.	Resolved
	i. The fiscal constraint demonstration must include all Federal, State, and local funds included in the	Unresolved

	STIP. For TIPs included by reference, funds may be aggregated by source (and by year) and demonstrated for funds programmed within each TIP.	
	j. Color coding used within the document must be defined and clarified as it relates to fiscal constraint.	Resolved
	k. The following language must be removed from the STIP, or clarified as a project with a project number and project details within Volume 1 Projects and Programs: <ul style="list-style-type: none"> • STIP Narrative: Page 131 – “FBF - Ferry Boat Funds (STBG)” 	Resolved
8. 23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming	l. The STIP must, to the extent practicable, provide a discussion of the anticipated effect of the STIP toward achieving the performance targets identified by the State.	Resolved
	m. The STIP must also clarify the performance-based planning processes and the project selection processes that support the investment priorities programmed in the STIP.	Unresolved
9. 23 CFR 450.336(b) - Transportation Management Area Certification Review	The corrective actions must be resolved as described in the Anchorage Metropolitan Area Transportation Solutions (AMATS) 2023 Transportation Management Area Certification Review.	Resolved

Status of March 27, 2024, Recommendations

Tier 2 Corrective Actions	Recommendations	FHWA/FTA Determination
2. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.	a. While the DOT&PF’s public participation requirements were followed in the development of the STIP, the public participation processes do not address how the public will be engaged when significant changes take place for documents such as the STIP prior to adoption or submittal for Federal approval. The public participation process should document processes to engage the public when significant changes are made to Federal documents and how the disposition of public comments are made available.	Not Addressed
3. 23 CFR 450.218 Development and Content of the Statewide Transportation	b. The State DOT, in cooperation with local elected officials and officials of agencies that administer or operate major modes of transportation in the MVP planning area, should meet to jointly determine an interim program of projects. Until a Metropolitan	Addressed

Improvement Program (STIP)	Transportation Plan (MTP) and Transportation Improvement Program (TIP) are approved by the new MPO, an interim program of projects should continue to be programmed annually in the Statewide Transportation Improvement Program (STIP) for all projects to be funded under 23 U.S.C. and 49 U.S.C. Chapter 53. This interim program of projects should be separately identified in the STIP. Upon the approval of a new TIP, the State DOT should amend the STIP to fully incorporate the MVP TIP.	
6. 23 CFR 450.218(p) – STIP Amendment and Modifications	c. The DOT&PF should coordinate with MPOs, FHWA and FTA to review and revise the STIP and TIP modification procedures to streamline the processes and ensure a responsive, timely approach to TIP and STIP management.	Not Addressed

Alaska DOT&PF STIP Amendment #1: Findings and Federal Actions

1. 23 CFR 450.218 Development and content of the statewide transportation improvement program (STIP)

STIP Amendment #1 Findings:

The Alaska Department of Transportation & Public Facilities (DOT&PF) STIP Amendment #1 provides over 1600 pages of material relevant to the planning, prioritization and selection of projects programmed for Federal funds from Federal Fiscal Year (FFY) 2024 through 2027. A Narrative document provides details relevant to the development and execution of the STIP while the data and programming of projects is documented in four subsequent Volumes.

Project data and information is provided in multiple ways, including numerical order, alphabetical order, and by fund source or type. Information is also cross referenced in a variety of tables by project title, location, numerical code. Detailed project pages are provided that are linked to various on-line search engines creating a dynamic approach to additional information relevant to most projects programmed in the STIP. Unfortunately, information is inconsistent between various tables and resources (as is noted below). Errors appear to be common, creating confusion about the information presented for some projects.

On-line the public has access to additional tables and resources that provide dynamic ways in which data and project information can be viewed and dissected. While it is clear the DOT&PF is interested in transparency, the level of permutations of the information offered in the STIP is actually more confusing because of the errors and discrepancies among the various documents and materials. This does raise a question whether the bulk of this information supports the public interested in following the process and learning about the projects in their specific area of interest.

The Alaska STIP Amendment #1, Volume 3 provides a Change Log documenting all projects included in the original partially approved STIP and those considered or included in STIP Amendment #1 submitted for Federal approval. The Change Log provides the project Need ID and the project name as the identifier. For each project there is either a yes or no indicating that it was either in the Original STIP, the STIP Amendment released to the Public, or included in the final STIP Amendment #1 submitted for Federal approval.

Corrective Action:

a. The following projects are excluded from approval of STIP Amendment #1. Any project located within an MPO's approved Urban Area Boundary or Metropolitan Planning Area Boundary, must be included in the MPO TIP. Once amended into the MPO TIP, the TIP amendment can be amended into the AK DOT&PF's STIP without modification. Excluded MPO projects include:

- 34545 - Chena River Railroad Bridge Replacement – ARRC
- 34547 - City of North Pole: Alaska, Drainage Project - City of North Pole
- 34130 - Richardson Highway Milepost 346 Northbound Chena Bridge Replacement

b. The following projects are excluded from approval of STIP Amendment #1. Any project funded with Tribal funds must be included in the Tribal Transportation Improvement Program (TTIP). The TTIP is

included into the STIP by reference and without modification. This includes all projects funded through Tribal program dollars Excluded Tribal projects include:

- 34564 - Fast End Roads Design Refresh - Nome Eskimo Community
- 34567 - High Ridge Road Phase Two - Igiugig Village
- 34578 - Manokotak First, Second, Third Street Rehabilitation Road Project - Manokotak Village
- 34583 - Minto Community Street Improvement - Native Village of Minto
- 34587 - Old John Lake Trail -Arctic Village Council
- 34590 - Pedro Bay Landfill Access Road - Pedro Bay Village
- 34608 - Tribal Way Road Improvement- Sitka Tribe of Alaska
- 34625 - White Mountain Community Streets - Native Village of White Mountain
- 34562 - Ekwok Road Spot Safety Improvements Preliminary Engineering - Native Village of Ekwok
- 34568 - Hillcrest Drive and Bayou Loop Road Safety Improvements Design Project - Native Village of Clarks Point
- 34569 - Huslia Streetlight Illumination Project - Huslia Village
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- 34577 - Main Street Spot Safety Improvements Preliminary Engineering - Native Village of New Stuyahok
- 34582 - Mile Post 111.5 Richardson Highway Turn Lanes Project - Native Village of Gakona
- 34584 - Naknek Pedestrian Path Construction Project - Naknek Native Village Council
- 34586 - Nerka Infrastructure Safety Improvements - Curyung Tribal Council
- 34591 - Pilot Point Brush Cutting & Signs Program Startup - Native Village of Pilot Point
- 34593 - Preliminary Engineering for Safety Improvements on Walden Point Road and Airport Road - Metlakatla Indian Community
- 34605 - Systemic Application of Roadway Departure Countermeasures - Native Village of Noatak

Recommendations:

a. Due to the voluminous nature of Alaska DOT&PF's STIP Amendment #1, and the inconsistencies found among the various tables and data sets, we recommend significant simplification of the STIP to ensure requirements are met and to ensure information remains transparent but is easy to access and use.

b. To support an expedited review process and provide clarity to all stakeholders, in the future any proposed STIP amendment should only include those projects that are being amended along with the fiscal constraint demonstration to support the amendment.

2. 23 CFR 450.208 Coordination of Planning Process Activities

STIP Amendment #1 Findings:

The DOT&PF developed an internal Alaska DOT&PF document that describes collaborative efforts between the DOT&PF and the MPOs in the development and management of the STIP. Development of this draft included a working session with three MPOs, FHWA, and FTA. This document is described as part of the DOT&PF Planning Manual. DOT&PF has committed to lead this effort through MPO technical and policy board work sessions, which is currently underway. However, it's not clear whether the coordination process is inculcated throughout the DOT&PF or whether coordination between the DOT&PF and the MPOs will improve. To this point, the DOT&PF has not taken action on the Fairbanks Area Surface Transportation MPO's revised Metropolitan Area Planning boundaries, which is critical to the MPO's ability to update their Metropolitan Transportation Plan (MTP). In addition, the FHWA and

FTA received several comments from Alaska MPO's Executive Directors indicating a lack of coordination in the development of the draft STIP amendment #1, which resulted in continued errors documented in the public facing draft and that have not all been addressed in the final STIP amendment #1. These errors could impact the timely delivery of programs and/or projects.

Alaska STIP Amendment #1, Volume 2 includes each MPO's Transportation Improvement Program (TIP) and the complete text of each MPO's MTP. The inclusion of the MPO TIPs is appropriate given that the documents are required to be part of the overall Statewide STIP either by reference or completely without modification (23 CFR 450.218(b)). However, the inclusion of the MPO's MTPs in the STIP, it gives the appearance that Alaska DOT &PF and/or FHWA and FTA are by extension providing approval of the MPO MTPs through the approval of the STIP or STIP Amendments. Neither Alaska DOT&PF or FHWA and FTA have the authority to approve or disapprove an MPO's MTP.

Corrective Action:

c. The DOT&PF must develop and implement processes and procedures for a continuing, cooperative, and comprehensive planning process that meets the requirements of 23 CFR 450.208. These documented procedures should result in a tangible demonstration of coordination among the MPOs and the DOT&PF such that information is coordinated among the agencies in the development of documents including the STIP and STIP amendments. In addition, this coordination must provide for timely resolution of differences to ensure MPO processes are supported and before draft documents are released for public review.

Recommendation:

c. Neither Alaska DOT&PF or FHWA and FTA have the authority to approve or disapprove an MPO's MTP, therefore, the MPO MTPs should be removed from the STIP documentation.

3. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.

STIP Amendment #1 Finding:

STIP Amendment #1, Volume 3, Engagement Summary, provides an overview of the public engagement procedures used for STIP Amendment #1 and the Alaska DOT&PF's process to involve and coordinate with affected local and appointed officials. It also provides the link to the formal Tribal consultation procedures along with assurances that STIP Amendment #1 followed the Tribal consultation procedure. Finally, Volume 3 documents coordination with Federal Land Management Agencies. The documented Alaska DOT&PF's public participation process does not address how the public will be engaged when significant changes take place prior to adoption or submittal for Federal approval.

The Alaska DOT&PF has made significant revision to the processes used to engage the public in STIP Amendment #1. The Draft STIP Amendment was announced to the public on July 3, 2024, but the availability of the draft STIP Amendment and public comment system on the Alaska DOT&PF website were intermittently available throughout early July due to technical difficulties. The Final STIP Amendment #1 acknowledged these technical difficulties and clarified the extension of comments to ensure the public was provided the full 30-days for review and comment on the draft STIP Amendment #1.

STIP Amendment #1, Volume 3 also provides a disposition to some of the public and agency comments received. However, not all comments are provided a response and some responses do not relate to the comments made by the commenters.

The final STIP Amendment #1 submitted for Federal approval is significantly changed from the draft STIP Amendment #1 made available for public review. The public was not given the opportunity to comment on the final STIP Amendment #1 prior to submittal for Federal approval.

Recommendation:

- d. The public participation process should document processes to engage the public when significant changes are made to Federal documents such as the STIP and STIP Amendments and how the disposition of public comments are made available.
- e. The disposition of comments should address the comments received and the public should be able to find their comment and understand how it was considered for the final document. Therefore, the disposition of their comments should address their specific comment.

4. 23 CFR 450.218(m) Fiscal Constraint

STIP Amendment #1 Findings:

The Alaska DOT&PF STIP Amendment #1, Narrative provides significant improvements to the Fiscal Constraint Demonstration Detail. Funding sources are clearly labeled by year and include the local match and State funds anticipated throughout the life of the STIP. Definitions for funding sources are clearly identified in the Funding Sources and Revenue Forecast section. However, the funding amounts documented and funding source titles or abbreviations for fiscal constraint do not align with the funds identified and programmed in the Deep Dive pages in Alaska DOT&PF STIP Amendment #1, Volume 1. For example, there is a significant discrepancy of Advance Construction (AC) between the Fiscal Constraint Demonstration Detail table in the Narrative and projects identifying AC in the Deep Dive pages in Volume 1, as compared below:

	Fiscal Constraint Demonstration Detail (Narrative)	Consolidated from Deep Dive Pages (Volume 1)
Revenue*	\$944,611,694	\$944,611,694
Programmed	\$955,491,768	\$806,140,402
Total	\$(149,351,366)	\$138,471,292

*Assumed the amount of revenue available is constant as documented in the Fiscal Constraint Demonstration Detail shown in Alaska DOT&PF STIP Amendment #1, Narrative.

Additionally, funds identified in the MPO TIPs do not align with the amount programmed. The discrepancies between the funding programmed and documented in the Deep Dive pages and the funding identified in the Fiscal Constraint Demonstration Detail raise questions whether the table in the Fiscal Constraint Demonstration Detail accurately reflects the State, local and Federal funds programmed in the STIP. The Fiscal Constraint Demonstration Detail also identifies funding for Federal Transit Administration funding identified for the Alaska Railroad. In Federal Fiscal Years (FFY) 2025, 2026, and

2027, Alaska Railroad expenditures significantly exceed the amount of Federal Transit Administration funding anticipated.

The Narrative recognizes the DOT&PF's use of AC as a cash-management tool and through the Fiscal Constraint Demonstration Detail and Deep Dive pages in Volume 1, documents that historic levels of AC are programmed. The Narrative states that "There has never been a time where expenses have not been paid due to cash shortages" as verification that AC will be available at the time it is indicated in the STIP. The level of AC identified as programmed in the Fiscal Constraint Demonstration Detail appears to exceed the historic allocation of State funding for transportation projects. The DOT&PF is assuming risk by programming AC at these levels and this risk may impact their ability to deliver the STIP program identified to the public through this document.

Alaska DOT&PF's STIP Amendment #1 somewhat streamlined the extensive volume of project and financial information compared to what was provided in the STIP partially approved by FHWA/FTA in March 2024. Tables are clearly labeled, and information is clearly grouped and provided in logical sequence. However, consistency among the various tables continues to be problematic and inconsistent. Some of the projects listed in Fiscal Constraint Demonstration Detail tables and other such tables do not result in Deep Dive pages. Without the project description, the programming of funds for the project it is impossible to know whether some of these projects are considered as part of the STIP. It appears that some of the issues are simply errors, however, some issues are significant enough to question the validity of the Fiscal Constraint Demonstration Detail.

The STIP Amendment #1 Volume 1, provides a Deep Dive page for projects considered programmed in the STIP. Deep Dive pages outline how State, local and Federal funds are programmed and provides project details, the year in which each funding source is programmed and how much is programmed by phase of the project. The project description provided is enough information for most projects to determine general eligibility for the funding source identified. Based on the descriptions provided, some projects do not appear to be eligible, at least in part, for the funding sources identified.

For large projects that extend over several years, the Deep Dive pages document the "Parent" and "Child" relationships. The "Parent" project identifies the "Child" projects, identifying the project number and how these projects are programmed in the STIP. The documentation of this Parent-Child relationship in the Deep Dive pages is much improved and provides a clearer pathway to tracking large projects that are expected to be completed over several years. Beyond the Deep Dive pages, the conceptual relationship of "Parent" to "Child" and the use of this concept within the STIP is not clarified or documented. This lack of clear documentation may confuse how Parent-Child projects move through the Amendment and Administrative Modification processes and in some cases the project design phase.

Some "Parent" projects extend into MPO Metropolitan Planning Areas (MPA). One project, the Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction], extends into the Anchorage MPO's MPA and the "Child" portions, Stage 1 and Stage 6, of the project are not included in the MPO's TIP. The "Parent" project explains in the description, that Stage 1 "Child" (Milepost 113-116) is within the MPA and will be included on the AMATS TIP but is not included in the DOT&PF STIP. However, the "Parent" project does program ROW (P3) and Final Design (P2b) for the full project including those areas located in the MPA under Stage 1 and Stage 6.

The STIP Narrative, Advance Construction section, documents that the “Payback of advance construction may be considered through administrative actions versus STIP amendments.” This statement is inconsistent with the DOT&PF’s STIP amendment and modification procedures.

How the DOT&PF uses AC and the conversion of AC (ACC) at the time of project authorization or when funds are requested for obligation is often inconsistent with the programming of projects in the STIP. As a result, the FHWA Division is unable to process these requests. Additionally, there is no clear documentation in the STIP that describes how the DOT&PF’s intends to use AC or ACC and it does not document the processes for which AC and ACC may support cash management or other programming decisions.

Corrective Actions:

d. The fiscal constraint demonstration in the STIP must accurately reflect the full funding anticipated for programming throughout the four years of the STIP to include state, local and Federal funding sources. The fiscal constraint demonstration must also support the funds and resources programmed through the MPO TIPs and use the same funding source titles or abbreviations consistently throughout the document.

e. All projects included in the STIP must be eligible for the funding sources to which they are programmed. The following projects appear to include ineligible elements. This could include the work type or activity associated with a specific funding source or other characteristics not allowed for Federal funding. The following projects will be assessed for eligibility at the time of project authorization:

- 34244 - Knik River Wayside Gold Star Families Memorial [TAP Award 2023]
- 30729 - Inter-Island Ferry Authority Ferry Refurbishments
- 33241 - Cape Blossom Road [Parent and Final Construction]
- 34302 - Pavement and Bridge Preservation Program
- 34197 – Data Modernization and Innovation
- 34452 – Rural Dust Mitigation Program
- 34455 – Construction Material Waste
- 34313 – State-owned Shipyard Repairs
- 28810 – Herring Cove Bridge Rehabilitation
- 34461 – West Susitna Access Road
- 34442 – Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOG 2018] Stage 1
- 34443 – Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOG 2018] Stage 2
- 32723 – Redoubt Avenue and Smith Way Rehabilitation [CTP Award 2019]
- 32299 – Takotna River Bridge Replacement
- 33242 – Sterling Highway Milepost 45-60 [Stage 2]

f. The “Parent” project cannot include final design, ROW or construction for a child project that is located in an MPO’s Metropolitan Planning Area boundary (MPA) if the child project located in that MPA is not included in the MPO TIP. The following project is excluded from STIP Amendment #1 approval:

- 12641 - Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]

g. The statement in STIP Narrative, Advance Construction section, stating, “Payback of advance construction may be considered through administrative actions versus STIP amendments.” must be removed from the STIP.

Recommendations:

f. The conceptual use of “Parent” and “Child” in the STIP should be clearly documented. This includes defining the terminology, the programming processes and any special considerations given to projects captured in this concept. In addition, the concept description should consider how final design is programmed for the Parent vs. for the Child projects; how STIP revisions are determined; and the relationship of Parent and Child projects to the NEPA process and NEPA decisions.

g. The risk associated with the historic levels of AC should be clarified and the consequences of not receiving these funds should be documented so that the public will have the opportunity to understand the decisions that may be made if State funding is not available for the projects programmed for AC.

h. The STIP should document how the Alaska DOT&PF uses AC and ACC and the processes by which these funds may be applied to projects programmed in the STIP during project authorization and obligation.

i. Project groupings included in the STIP should be limited to a single work type. In addition, the list of individual projects intended for any group listed in the STIP should be made available whenever it is requested.

5. 23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming

STIP Amendment #1 Findings:

Alaska DOT&PF’s STIP Amendment #1, Narrative, Appendix C, provides the Transportation Performance Management (TPM) analysis. The information provided documents the DOT&PF’s strategic approach make informed investment and policy decisions that achieve national performance goals. This includes alignment with the State’s policies and guidance, the statewide long range transportation plan, and various performance plans. Appendix C also describes the collaborative process for developing and formalizing Federal metrics and performance targets with the MPOs. Each target is described in detail and provides data and visual representation of the DOT&PF’s expected outcome of meeting these targets through the projects programmed in the STIP. Most targets are likely to be met within or ahead of the timeline anticipated. However, the data is showing that some targets are not currently being met or likely to be met as required. Appendix C also provides a detailed listing of potential actions the DOT&PF may take for those targets that are not being met. However, it is not clear what actions the DOT&PF is currently taking to address those targets that are underperforming.

Alaska DOT&PF’s STIP Amendment #1, Volume 4, provides a series of references and documents related to various project prioritization processes. The information provided gives a general overview of the processes and the criteria used to select projects. In most cases, the conclusion of the selection process or a list of projects in order of need or in order of some priority is provided. Not all sections of Volume 4

provide information relevant to the section title; for example, the HSIP section contains no information, only a cover page.

The documentation provided is not clear about how projects on the prioritized lists are selected for programming into the STIP. In fact, not all projects funded in the STIP are shown on these prioritized lists creating uncertainty as to how these lists are used and where projects programmed in the STIP come from.

Corrective Action:

h. The STIP must clarify the performance-based planning processes and the project selection processes that support the investment priorities programmed in the STIP. This includes identifying not only the final list of prioritized projects but how projects are selected and programmed into the STIP.

Recommendation:

j. For Federal transportation performance management targets that are under performing or for those that are not meeting their targets, the DOT&PF should document the actions currently underway to improve the State's ability to meet those targets.