

**Department of Transportation and Public Facilities
FY23 Mid-Year Status Report**

Item #	Approp / Allocation	Description	Amount / Fund Source	LFD Comment	LFD Questions	Agency Comments
1	Highways, Aviation and Facilities / Abandoned Vehicle Removal	Establish New Allocation for Abandoned Vehicle Removal	\$100.0 Gen Fund (UGF)	The legislature established a new allocation for disposal of abandoned vehicles on public roads and appropriated \$100.0 UGF to the new allocation.	How much of this funding has been utilized and how many vehicles has the Department been able to dispose of so far?	Department of Transportation & Public Facilities (DOT&PF) has spent 9.5% of the funds appropriated (\$9,459.80) as of January 26, 2023. DOT&PF has removed/disposed 23 vehicles to date.
2	Highways, Aviation and Facilities / Central Region Highways and Aviation	Mission Critical Incentive Pay Increment for Bethel Airport Foreman and Equipment Operators	\$100.0 Gen Fund (UGF)	The Department states that the lack of experienced and stable workforce in combination with the requirement for manning a 24-hour facility puts its ability to maintain basic operations of the facility at risk. The allocation did not receive additional personal services authority when a Letter of Agreement was reached to pay eligible employees Mission Critical Incentive Pay.	How much of this increment does the Department anticipate using in FY23? How are the incentives being distributed and how many positions are expected to receive the pay incentives?	Central Region Highways & Aviation expects to use the full increment for Mission Critical Incentive Pay. This increment supports 5 positions in Bethel. The Bethel Station is fully staffed.

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3	Highways, Aviation and Facilities / Various	Utilize Available Motor Fuel Tax Receipts	Net Zero (\$1,933.4) Gen Fund (UGF) \$1,933.4 Motor Fuel (DGF)	<p>The fall 2021 revenue forecast for Motor Fuel Tax receipts is \$34.2 million in FY23. In the Governor's proposed FY23 budget the Department was appropriated \$36.7 million in Motor Fuel Tax receipt authority. That would have created a potential \$2.5 million shortfall. Because of this the legislature chose not to accept the Governor's proposed fund source change in Northern Highways and Aviation for \$2,186.5. This brought the total of Motor Fuel Tax receipt authority appropriated to \$34.5 million, which is closer to the projected revenue amount.</p> <p>This fund source change takes place in the following allocations: Central Highways and Aviation: \$1,187.8 Southcoast Highways and Aviation: \$745.6</p>	Does the Department still believe that there will be enough motor fuel tax revenue to get it through FY23 without a shortfall?	Motor Fuel Tax receipts are forecasted, collected, and accounted for by the Tax Division within the Department of Revenue. DOT&PF will work with the Office of Management and Budget if needed.

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4	Highways, Aviation and Facilities / Northern Region Highways and Aviation	Mission Critical Incentive Pay Increment for Fairbanks Electricians and Nome Duty Station Equipment Operators	\$279.0 Gen Fund (UGF)	<p>Northern Region entered into a Letter of Agreement for Mission Critical Incentive Pay, in response to ongoing recruitment and retention issues with electrician and equipment operator job classes at specific locations. The Department asserts that pay incentives will improve recruitment, prevent reductions in service hours at the Nome Airport, and ensure critical signal and traffic lighting work is completed in the Fairbanks area.</p> <p>The legislature also approved an FY22 supplemental appropriation for the same amount.</p>	How much of this increment does the Department anticipate using in FY23 and how many positions are expected to receive the pay incentives?	Northern Region Highways & Aviation expects to use the full increment for Mission Critical Incentive Pay. This increment supports 23 positions.

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5	Highways, Aviation and Facilities / Northern Region Highways and Aviation	Northern Region Ice Roads	\$200.0 Gen Fund (UGF)	<p>The Legislature made three one-time UGF increments for Ice Roads in the Northern Region.</p> <p>Tanana Ice Road- \$100.0 Rampart Ice Road- \$50.0 Ice Road Transportation in Northwest Arctic Borough- \$50.0</p> <p>Starting in FY22, IJA specifically set aside \$2 million annually for a new Ice Roads & Seasonal Roads Maintenance Program in the State Transportation Improvement Plan (STIP) to provide communities with funding necessary to maintain and operate their ice roads and other seasonal roads. This may reduce or eliminate the need for UGF funding for ice road projects in future years.</p>	<p>What progress has been made towards populating the STIP with ice road projects? Is there an anticipated year that federal funding might be available for this activity?</p>	<p>The 2020-2023 STIP includes a project for Ice Roads and Seasonal Roads Maintenance. There was a call for projects October 2022 and DOT&PF is in the process of issuing memorandum of agreements with communities. More information on Safe Ice Roads for Alaska Program can be found at https://dot.alaska.gov/stwdplng/cip/stip/projects/SIRA.shtml.</p>

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6	Marine Highway System / Various	Alaska Marine Highway System Calendar Year 2023 Operating Budget (FY23-FY24)	Total: \$143,831.2 \$82,899.5 Fed Rcpts (Fed) \$60,063.0 Gen Fund (UGF) \$868.7 CIP Rcpts (Other)	In FY23, federal receipts will be available through the Infrastructure Investment and Jobs Act (IIJA) which establishes a Ferry Service for Rural Communities Program that makes federal resources available to states to ensure basic essential ferry service is provided to rural areas. The act provides up to \$200 million per year over 5 years in competitive grants. The legislature appropriated \$30 million in IIJA funding for planning and design of a mainline vessel replacement. In total the legislature appropriated \$112.9 million in IIJA funding. Since the end of session the Federal Transit Administration has released guidance for IIJA funding.	What is the status of federal funding? What service levels have been realized? Will additional State funding be needed to match federal funding? What is the fund balance for the AMHS fund? What progress has been made on the mainline vessel replacement?	Federal funding grant awards were announced January 2023. DOT&PF intends to work with the Legislature and evaluate all our options to match this funding. We have existing resources already appropriated that could potentially be used to match some of this funding. Attached is a port of call summary from FY2009 to FY2022 to show the service levels that have been realized. Since FY2020 DOT&PF is seeing an increase to port of calls and operating weeks. Marine Highways Operating (fund 3224) Fund Balance 30,103,582.94 Fund Balances Available for Appropriation 20,928,597.76 Vessel Replacement (fund 1082) Fund Balance 44,174,944.62 Fund Balances Available for Appropriation 21,812,589.32

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						<p>continued</p> <p>DOT&PF has made the following progress with the mainline vessel replacement (MRV):</p> <ol style="list-style-type: none"> 1) Project Development Authorization for functional design has been submitted for review and approval through Project Control. 2) Class of action determination on environmental review has been completed. 3) Review of prior Glosten Developed Concept design in progress and evaluation of potential vehicle capacities of modified Tustumena Replacement Vessel (TRV) hull form completed. 4) Exploring opportunities and methods for including MRV within the TRV shipyard construction manager/general contractor (CM/GC) Solicitation.