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MEMORANDUM

To: Joel Neimeyer, Federal Co-Chair
From: Tessa DeLong, Senior Transportation Program Manager
Date: August 28, 2012
Re: **FFY 2012 Road Project Selections**

*8/29/12
John J. Wetzel
for*

*In concurrence:
Jill Nis
Joel Neimeyer 9/7/12*

The Denali Commission's (Commission's) Transportation Advisory Committee (TAC) met in Anchorage, AK June 6-7, 2012 to score federal fiscal year (FFY) 2012 road projects.

It has been the longstanding practice of the TAC to recommend and prioritize more projects than there is available funding to support. It has also been the historic practice of the TAC not to consider prioritized projects from a given FFY, which are not funded, in future FFYs. For example, road projects selected in FFY 2009 that were not funded, were not included in the list of projects for consideration in FFY 2010. However, FFY 2011 was a unique year for the Commission in many regards. First, the agency was required to provide \$15 MM in rescission funds back to the Federal Treasury. Second, the agency did not receive its transportation road funding in FFY 2011. In FFY 2011, The Secretary of the Department of Transportation (DOT) determined that the Commission's roads program was "sufficiently funded". This determination resulted in the ~\$13 MM of FFY11 Federal Highway Administration (FHWA) roads program funds not being provided to the Commission and instead being provided by Federal DOT to the State of Alaska's Department of Transportation (A-DOT).

In response to the determination by the Secretary of Transportation the Commission's Inspector General (IG) requested an opinion from the General Accountability Office (GAO) regarding the legality of the Secretary's "sufficiently funded" determination and its implications for FFY11 and FFY12 roads appropriations to the Commission. The GAO opinion was received August 4, 2012 determining that the Secretary of the Department of Transportation complied with the SAFETEA-LU Extension Act when determining the Denali Access System was sufficiently funded. The Denali Access System will not receive FFY11 and FFY12 funding.

The following table details the specific projects from FFY 2011 and FFY 2012 scored and recommended by the TAC. The FFY 2011 projects appear first in current priority order, followed by the FFY 2012 project recommendations in rank order. The table includes: community and project title, and recommended Commission funding amount. As a result of the GAO opinion, the following projects will not be funded:

FFY 11 Road Projects - Need to Fund (in priority order)	
Craig - Community Streets Paving Construction	\$ 1,000,000
Chefornak - Boardwalk Reconstruction/Design?	\$ 1,000,000
Hydaburg - Saltry Point Road Construction	\$ 991,444
Haines - Third Avenue Street Construction	\$ 900,000
Hooper Bay	\$ 134,647
Northway - Housing Road Design	\$ 181,940
Igiugig - Float Plane Road Construction	\$ 917,612
Wrangell - Wood Street Design/Construction	\$ 1,000,000
Pitkas Point - Main Street - Preliminary Design	\$ 85,343
Selawik - Barge Landing Road and Boardwalk Improvements - Design	\$ 116,487
Total FFY11 Road Projects	\$ 6,327,473

The following projects are recommended for FFY 2012 road funding by the TAC. As a result of the GAO opinion, the following projects will not be funded:

FY 2012 Projects Scored and Assigned							
#	Community/Project	Ranking	Project Cost	Funding Amount Recommended	Match Provided	Match Needed	Recommended Assignments
1	Alakanuk Community Streets - Construction	119	\$ 5,276,333	\$ 1,000,000	\$ 4,276,333	\$0	AVCP
2	St. Michael's Community Streets - Construction	117.5		\$ 1,000,000	\$ 1,000,000		Kawarek Inc.
3	Chevak Community Streets - Construction	115	\$ 4,305,629	\$ 1,000,000	\$ 3,305,629	\$0	AVCP

FY 2012 Projects Scored and Assigned (continued)							
4	Eek Community Streets - Construction	113.7	\$ 2,947,942	\$ 1,000,000	\$ 1,947,942	\$0	AVCP
5	St. George - Zapadini Bay Road - Construction	107.5	\$ 1,097,165	\$ 1,000,000	\$ 97,615	\$0	WFLHD
6	Grayling 3rd Street - Construction	103	\$ 1,000,000	\$ 1,000,000	\$ 127,000	\$0	WFLHD
7	Anderson Roads - Construction	98.5	\$ 1,795,034	\$ 1,000,000	\$ 795,034	\$ 795,034	WFLHD
8	Russian Mission Atsak Way - Construction	98.5	\$ 1,700,000	\$ 700,000	\$ 1,000,000	\$0	WFLHD
9	Egegik Community Roads - Construction	97.3	\$ 1,500,000	\$ 500,000	\$ 1,000,000	\$0	Egegik Village Tribal Council
10	Chickaloon Todd's Road - Construction	97	\$ 655,135	\$ 455,135	\$ 200,000	0	Native Village of Chickaloon
11	Akhiok - New Land Fill Road - Construction	96.5	\$ 1,896,000	\$ 896,000	\$ 200,000	\$0	USACE
12	Kaktovik Landfill Road-Construction	90.5	\$ 4,200,000	\$ 1,000,000	\$ 3,200,000	\$0	Borough
FY 2012 Projects Scored and Assigned							
#	Community/Project	Ranking	Project Cost	Funding Amount Recommended	Match Provided	Match Needed	Recommended Assignments
13	Ketchikan Water Street Trestle No. 1 - Design	89.6	\$ 134,000	\$ 121,900	\$ 12,100	\$0	City of Ketchikan
14	Karluk Beach Access Road - Design	85.8	\$ 120,000	\$ 108,000	\$ 12,000	\$0	WFLHD
15	Kaltag City Streets - Design	84	\$ 250,000	\$ 227,425	\$ 22,575	\$ 22,575	WFLHD

FY 2012 Projects Scored and Assigned (continued)							
16	Kotlik Lagoon Boardwalk Replacement - Construction	83.3	\$ 900,725	\$ 819,375	\$ 81,350	\$0	WFLHD
17	Saxman Seaport Access Road - Design	81	\$ 150,000	\$ 75,000	\$ 75,000	\$ 75,000	WFLHD
18	Tetlin Village Streets - Design	81	\$ 300,000	\$ 270,000	\$ 30,000	\$0	WFLHD
19	Nondalton Hill Street - Design	79.5	\$ 160,000	\$ 144,000	\$ 16,000	\$0	WFLHD
20	Ugashik Road - Construction	76.3	\$ 621,000	\$ 556,000	\$ 65,000	\$0	TBD
21	Sitka Edgecumbe Drive - Design	74.5	\$ 100,000	\$ 90,700	\$ 9,300	\$0	City of Sitka
22	Kwigillingok Landfill Boardwalk Road - Construction	74	\$ 1,693,750	\$ 1,000,000	\$ 170,000	\$170,000	WFLHD
23	Angoon Community Streets - Design	72.3	\$ 400,000	\$ 363,880	\$ 36,120	\$36,120	WFLHD
Total			\$ 31,202,713	\$ 14,327,415	\$ 17,678,998	\$ 1,098,729	

The following projects were deemed ineligible or removed from consideration for reasons mentioned in the table below. As a result of the GAO opinion, the following projects will not be funded:

FY 2012 Projects Deemed Ineligible or Removed from Consideration	
1	Ruby Slough Road - Construction (Community should complete the design and return to the Commission to apply for construction funding in the near future).

FY 2012 Projects Deemed Ineligible or Removed from Consideration (continued)

2	Tazlina to Glenallen Pedestrian Path - Design (Community should complete the design and return to the Commission to apply for construction funding in the near future).
3	Mekoryuk Water Point Road - Design (Community should finalize scope of work and return to the Commission to apply for construction funding in the near future).
4	Kiana Valley View Road - Design (Commission staff will provide technical assistance to the community to help develop a scope of work for the project and apply for funding once a scope of work is concrete).
5	Kivalina Evacuation Route - Design (project is not ready for funding).
6	Klawock Island Access Road - Construction (Ineligible due to unforeseeable construction funding).
7	Ketchikan Park Avenue and Harris Street - Design (Withdrawn - community submitted three nominations; Ketchikan Water Street Trestle is the community's priority project).
8	Ketchikan Schoenbar Road - Design (Withdrawn - community submitted three nominations; Ketchikan Water Street Trestle is the community's priority project).
9	Thorne Bay Sandy Beach Road - Construction (Withdrawn - community received funding from the SOA for this project; Commission funding is no longer needed).
10	Wrangell Cassiar Street - Construction (Ineligible due to significant DC project activity/funding in the community).
11	Aleknagik Float Plane Road - Construction (Withdrawn due to community receiving full funding for project from the SOA).
12	Ekwok Landfill Road - Construction (Ineligible due to unforeseeable construction funding).
13	Levelock Main Street - Construction (Ineligible due to unforeseeable construction funding).
14	Akutan Harbor Access Road - Construction (Ineligible due to unforeseeable construction funding).
15	Kiana Beach Access Road - Construction (Withdrawn - the community submitted two nominations; Kiana Valley Road is priority).
16	Noatak Cemetery Road - Construction (Community submitted two applications; Noatak DMTS road is the priority).
17	Noatak DMTS Road- Planning (Ineligible due to unforeseeable construction funding).
18	Shungnak Landfill Road - Construction (Ineligible due to unforeseeable construction funding).

FY 2012 Projects Deemed Ineligible or Removed from Consideration (continued)

19	Barrow Pedestrian Walkway (Ineligible due to unforeseeable construction funding).
20	Eyak - Sheppard Point Road - Construction (Withdrawn - the community should complete design and permitting activities and re-apply for future funding).

The following projects were recommended for assignment to WFLHD for reconnaissance engineering under the existing technical assistance award. As a result of the GAO opinion, the following projects will not be funded:

FY 2012 Projects Assigned to Partners Under Existing Technical Assistance Awards

1	Old Harbor Roads - Design/Construction
2	Unalakleet Hillside Subdivision Road

The following existing Denali Commission project was recommended for additional funding based on the need for additional construction funds to complete the project. Funding for this project will be provided using prior year funds de-obligated from projects completed under budget in FFY 2013.

FY 2012 Existing Project with Budget Shortfall

#	Community/Project	Project Cost	Funding Amount Recommended	Match Provided	Match Needed
1	Bristol Bay King Salmon - Naknek School Bus Route - Construction	\$ 1,500,000	\$ 620,000	\$ 72,240	\$ 55,986

Additional details regarding the project ranking, scoring, recommendations, selection, and TAC member discussion and recusal are contained in the June 6-7, 2012 TAC meeting minutes.