

State of Alaska

Bill Walker, Governor

Office of Management and Budget

PO Box 110020


Juneau AK 99811-0020

(907) 465-4660, fax 465-3008

MEMORANDUM

Date: July 6, 2015

To: Mark Luiken, Commissioner
Department of Transportation and Public Facilities

From: Pat Pitney, Director 
Office of Management and Budget

Subject: Juneau Access Road – Administrative Order 271

On December 26, 2014, the Governor issued Administrative Order 271. With regards to the Juneau Access Improvement project, the Governor directed the Department of Transportation and Public Facilities (Department) to cease all discretionary spending, and not to incur new or additional expenses or obligations or enter into or amend existing contracts. The administrative order also directed the Department not to spend unobligated or unencumbered funds, and to submit a status report of the project to the Office of Management and Budget.

After reviewing this project, we would like the Department to proceed, within existing appropriations, to bring the project to a Record of Decision. The Department may expend up to \$900,000 of existing general fund appropriations, and associated federal funds, only as needed in order to address the following items viewed as non-discretionary: (i) satisfy current obligations, (ii) complete the Supplemental Environmental Impact Statement, and (iii) conduct other activities necessary for the issuance of the Record of Decision regarding the Project. Reaching the Record of Decision ensures the state will not have to repay nearly \$27 million in federal investment. As with the administrative order, the following provisions continue to apply to the project.

- A. These activities must be funded with previously appropriated funds. No additional appropriations will be sought.
- B. Reaching the milestone of the Record of Decision in this project preserves prior project investments, avoids federal funding repayment, and maintains the eight existing project alternatives, including the no action alternative.
- C. After reaching the Record of Decision (expected in January 2016), the project will be evaluated and, based on the findings and state revenues, a decision will be made as to how to further proceed at that time.

I appreciate the time that you and your staff have devoted to this project. Please feel free to call me to discuss further.

Cc: Mary Siroky, Administrative Services Director, DOT/PF
Brian Fechter, Budget Analyst, Office of Management and Budget
Jim Whitaker, Chief of Staff, Office of the Governor