



# KNIK ARM CROSSING NEWS

Designed to keep you updated on the Knik Arm Crossing

“The KABATA team has been continuously focused on moving the project forward to deliver its benefits to Alaskans as soon as possible. I am pleased the AMATS Policy Committee agrees with the state, that the bridge should be built in the near term.”

- Andrew Niemiec,  
Kabata Executive Director

## AMATS POLICY COMMITTEE VOTES TO KEEP THE KNIK ARM BRIDGE IN THE SHORT-TERM PORTION OF THE LRTP

In late March, the Anchorage Metropolitan Area Transportation Solutions (AMATS) Policy Committee took action to retain the Knik Arm Crossing project in the short-term portion of the Long Range Transportation Plan (LRTP). Following this action, the KABATA team continues to work towards securing the Record of Decision (ROD) as soon as it's practical.

The Knik Arm Crossing project is currently being developed as a Public/Private Partnership (P3). The final determination on the financing mix and toll structure will be made after the ROD is completed and in cooperation with the State and potential private partners.



Since the Knik Arm Crossing is a toll bridge, the people who use the facility will pay for about 90 percent of its construction and all of its maintenance.

## BELUGA WHALES AND THE KNIK ARM CROSSING

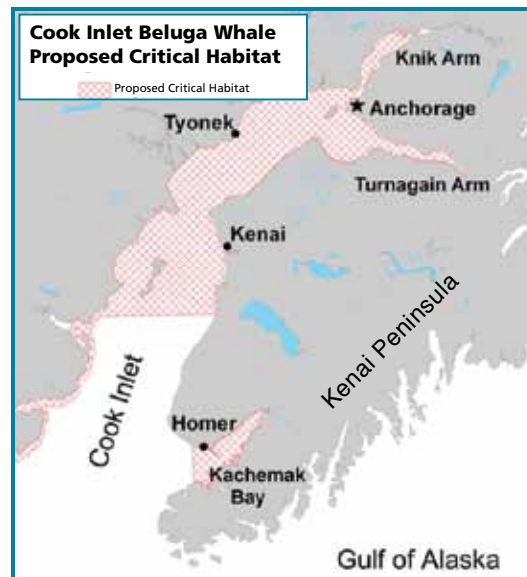


Image courtesy of the NMFS

The National Marine Fisheries Service (NMFS) has proposed critical habitat for the Cook Inlet stock of beluga whales. The proposed designation includes 3,000 square miles of Cook Inlet, primarily in the upper Inlet, including all of Turnagain and Knik Arms. This area represents about 38 percent of the 8,000-square-mile Cook Inlet and encompasses nearly all of the populated areas from Kasiloff to points north, as well as Kachemak Bay. The proposed designation also includes five proposed Primary Constituent Elements, or PCEs, as follows:

1. Mudflats – Intertidal and subtidal water of Cook Inlet <30 feet (MLLW) within five miles of high and medium flow accumulation anadromous fish streams.

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## BELUGA WHALES AND THE KNIK ARM CROSSING *(continued from page 1)*

2. Prey – Primary prey species: sockeye, chum and coho salmon; eulachon, Pacific cod, walleye pollock, saffron cod, yellowfin sole.
3. Toxins – The absence of toxins or other agents of a type or amount harmful to beluga whales.
4. Passage – Unrestricted passage within or between critical habitat areas.
5. Noise – Absence of in-water noise at levels resulting in the abandonment of habitat by Cook Inlet beluga whales.

KABATA provided comments about the critical habitat proposal and PCEs to NMFS, primarily related to the vagueness of how the PCEs would be managed and a recommendation to the Secretary of Commerce that portions of Knik Arm should be excluded from critical habitat because of their economic importance to Alaska. For example, 85 percent of the freight serving Alaskans arrives at the Port of Anchorage and 60 percent of the State’s population lives in Anchorage, the Mat-Su and Kenai Boroughs.

The available information indicates the decline of Cook Inlet belugas was due to overhunting and possibly killer

whale predation. It does not point to economic and recreational activities in the region. Improperly restricting economic activity in the region could have negative societal consequences without benefitting the recovery of the beluga whales.

KABATA is confident, based on the scientific and engineering research it has performed, that the Knik Arm Crossing can be constructed and operated safely without negatively impacting the beluga whales. KABATA is a member of the Cook Inlet Beluga Recovery Team, which is developing a plan for the recovery of belugas in the Cook Inlet.

**“We can preserve the unique environment of Alaska for our children and still provide the infrastructure they need to live and prosper. We have accomplished this balance with the Knik Arm Bridge by modifying design and construction techniques to be compatible with the belugas while remaining constructible and affordable.”**

- Loran Frazier,  
Chief Engineer



## BENEFITS OF THE KNIK ARM CROSSING

- Unlike most road and bridge projects, the Knik Arm Crossing will pay for itself. Why? Because it is a self-funding toll bridge. Unlike other road and economic stimulus projects in the state, users – not taxpayers – pay for most of its construction and all its maintenance.
- Provides immediate and lasting economic stimulus and jobs without requiring large sums of taxpayer funding to be repaid by future generations.
- No impact on the funding of other projects in the Anchorage Long Range Transportation Plan (LRTP) and no municipal revenue or property taxes are involved.
- Provides access to large amounts of developable commercial, industrial and residential land to support area population and economic growth. The Port Mackenzie industrial district alone has nearly 9,000 acres of industrial

land just a few miles across the Knik Arm by a bridge, but is currently 80 miles away from Anchorage by existing roads.

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# PROJECT FINANCING AND FUNDING FOR ALASKA'S TRANSPORTATION NETWORK

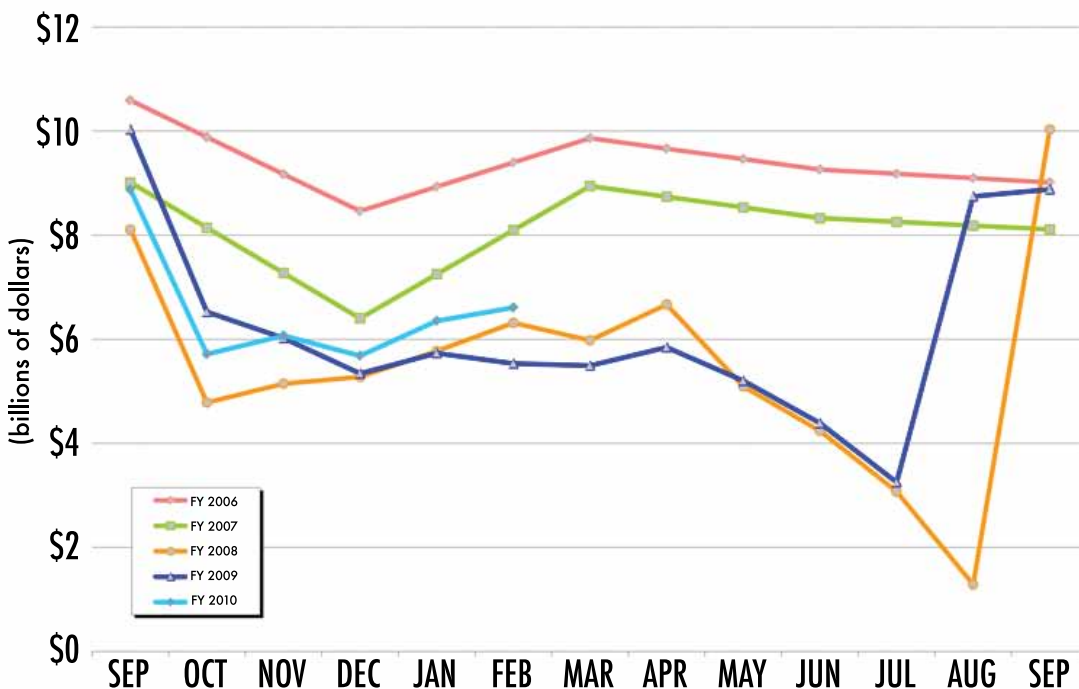
## HIGHWAY ACCOUNT BALANCE

The combination of a public-private model for financing and committing surplus revenues to a State transportation fund represents innovative ways of funding our State's infrastructure needs. These methods are planned for delivering the Knik Arm Crossing project. In the past, the federal highway program has paid for much of Alaska's transportation infrastructure.

Historically, Alaska has received about \$5 to \$6 of federal transportation funds for every \$1 of federal fuel taxes paid into the federal trust fund

by Alaskans. With Alaska's share of federal funds expected to decline in the coming years, finding innovative ways to meet our growing transportation needs is critical to sustaining and expanding the network to meet the needs of this and future generations of Alaskans.

- The U.S. Highway Trust Fund is a transportation fund with three accounts. The bulk of the fund is comprised of the "Highway Account" and a smaller Mass Transit Account. Lawmakers established it in 1956 to ensure dependable financing for maintenance of the U.S. Interstate Highway System and certain other roads.
- Money in the fund is raised indirectly via a federal fuel tax of 18.4 cents per gallon on gasoline and 24.4 cents per gallon of diesel fuel and related excise taxes.



Ending balance for FY 2008 includes \$8.017 billion transferred from the General Fund in September 2008 pursuant to Public Law 110-318. Ending balance for FY 2009 includes \$7 billion transferred from the General Fund in August pursuant to Public Law 111-46.

### Public Outreach

Since our last newsletter and throughout the course of project development, KABATA has provided presentations about the project to numerous organizations, including city councils, professional organizations, university classrooms and chambers of commerce.

If your organization would like to schedule an informative presentation about the project, please contact Corene Alvarado, KABATA's Administrative Manager, at (907) 269-6698 or via email at Corene.Alvarado@Alaska.gov.

## BENEFITS OF THE KNIK ARM CROSSING

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- Benefits residents of Fairbanks and the Interior as well as North Slope producers and explorers by reducing the cost of transporting freight.
- Serves as an economic multiplier as the Mat-Su and beyond develops and expands. This means sustainable jobs, businesses and development well beyond the construction of the bridge.
  - 5,000 construction-related jobs and \$680 million of infrastructure for Alaskans during the current economic recession.
  - 14,000 new permanent direct and indirect jobs and \$800 million of incremental annual economic activity in the state because of the new economic corridor and transportation efficiency enabled by the bridge.
- User fees provide a sustainable mechanism to provide for project capacity improvements, and to augment dwindling federal highway funds for the development of Alaska's critical transportation links.
- Provides 53 percent of Alaska's population with a critically needed second connection between Anchorage and the Matanuska-Susitna Borough.
- Reduces traffic congestion and the rate of congestion growth on the Glenn Highway south of the Glenn/Parks interchange and on the Parks Highway through Wasilla. This defers the need to upgrade the Glenn Highway north of Eagle River and to build a Parks Highway Wasilla Bypass, freeing approximately \$575 million for other transportation projects around the state.

### Upcoming meetings:

- Board of Directors Meeting at 1:30p, Thursday, April 29th in Anchorage at 550 W. Seventh Ave., Ste 1850
- Board of Directors Meeting at 12:30p, and Board Audit Committee at 1:30p, Thursday, June 17 in Fairbanks at the Governor's Office, 675 7th Ave., Ste H5

The public is welcome and encouraged to attend these meetings.

Please visit the  
**Knik Arm Bridge and  
Toll Authority**

Web site at  
[www.knikarmbridge.com](http://www.knikarmbridge.com)  
for additional updates and  
resource materials.

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