

Municipality of Anchorage

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Mayor Mark Begich

Office of the Mayor

February 19, 2008

Mr. Andrew J. Niemiec, Executive Director
Knik Arm Bridge & Toll Authority
State of Alaska Department of Transportation and Public Facilities
550 W. 7th Avenue, Suite 1850
Anchorage, AK 99501 Mr. David C. Miller
Division Administrator
Alaska Division Office, FHWA
P.O. Box 21648
Juneau AK 99802

Subject: Comments on the Knik Arm Crossing Final Environmental Impact Statement

Dear Mr. Niemiec and Mr. Miller:

The Municipality of Anchorage appreciates once again the opportunity to comment on the Environmental Impact Statement (EIS) for the Knik Arm Crossing. It's evident that there are still disagreements in the technical analysis, financial assumptions, the overall long-term affect the bridge would have on the land use pattern and economic impact as well as the future policy implications to the Anchorage Bowl and the region.

The Federal Highway Administration (FHWA) decision to select the Recommended Alternative to be the North Access – Erickson Alternative with an 8200' bridge is clear in the FEIS. The basis for the recommendation still leaves many concerns to be addressed. The FEIS recognizes these concerns; however suggest that they will be addressed a later time which is of serious concern to the Municipality. Unless these issues are resolved satisfactorily, especially the mitigation of Government Hill neighborhood improvements and the construction of Gambell/Ingra connection by a date certain, I will continue to oppose this Record of Decision.

The response to Municipal comments (160) located in Appendix K, pages 40 through 80, of the FEIS were reviewed by MOA staff. It is apparent the FHWA reviewed our comments and offered some thoughtful responses. In some cases we concur and appreciate the clarification of the issues, in other cases, we must disagree.

The FEIS is voluminous and efforts to comb through the documents every detail is challenging, however the Municipality has targeted it efforts in our review. As such, our comments and response to MOA issues are based on a few key technical, financial and policy matters in the FEIS.

Sincerely,

Mark Begich

Mayor

Community, Security, Prosperity

Comments on the Knik Arm Crossing Final Environmental Impact Statement:

In review of the Final Environmental Impact Statement (FEIS) for the Knik Arm Crossing, the Municipality would like to offer these comments that illustrate the changes the FEIS has include as a result of our original comments on the Draft EIS. In addition, take this opportunity to express some concerns that continue to be viewed as unresolved by the Municipality. Finally, there are some key edits/ clarification that are necessary to provide constancy in the text related to the response to comments and the FEIS text and accompanying exhibits.

The Municipality supports the changes and response to issues listed below reflected in FEIS.

- 1. The edits to the FEIS reflect the complete Anchorage Assembly Resolution, in support of the Knik Arm Crossing, by including "subject to resolution of environmental and economic issues"
- 2. In the event the project does proceed, the offer to advance purchase for hardship, protection or at a property owners request is commendable.
- 3. FHWA's commitment to apply Context Sensitive Solutions in the design and development the project is recognized in the FEIS.
- 4. Recognition that preserving and accommodating vehicle, pedestrian and transit access to the Government Hill neighborhood.
- 5. Recognition that the Knik Arm Crossing will not require any future local, state, federal funds and that there is no financial recourse to responsibility to the State or local governments.
- 6. Related to the financial expectations of the project, given existing state and federal funds programmed for this project, the Municipality would agree that the capital markets will ultimately decide the financial feasibility of the project.
- 7. "In the real world, financial close for toll-backed financing cannot occur until after a Record of Decision selecting a build alternative has been obtained, among other conditions precedent to a financial close. In the event the capital marketplace determines the project is not a good investment, it will not be financed or built."

The Municipality continues to have the following concerns as listed below and reflected in the FEIS.

A. The disruption of the Government Hill neighborhood for the Erickson Street cut & cover in Phase I is to construct a 2-lane facility, then at a future date, construct an additional and separate tunnel that has 4-lanes for a total of 6 lanes. The ROW for Phase I is at least 93 feet as illustrated in the FEIS and then an additional 103' for the additional/separate tunnel. What are the options to address the ROW for both tunnels during Phase I, or combine them during one construction activity to limit the further disruption to the community?

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- B. In response to the MOA's concerns for environmental commitments, mitigation and monitoring, the FEIS states the project will support Context Sensitive Solutions and revitalizing the area. It further states that mitigation actually include the decision to put the facility in a tunnel rather than surface connections and put a lid on the depressed road to address noise and keep traffic below grade, which is been understood as part of this alternate as presented in DEIS. However, in calculating mitigation for the Government Hill neighborhood, the cut-cover design is not considered mitigation and only a commitment by FHWA to advance a project that is at best a compromise for the Government Hill neighborhood. Without a more specific commitment, Anchorage will not support this Record of Decision.
- C. The MOA remains strongly opposed to the timetable for the construction of direct connection of the crossing to the Gambell/Ingra travel syste. For the reasons stated in our previous comments, without a concrete commitment to the construction of this route, the community cannot support this project.
- D. The MOA continues to question the cost estimate provided in the FEIS. It's clear in response that FHWA and KABATA have sought the expertise of others in confirming the cost of the projects. It is difficult to believe that the project can maintain its previous construction cost estimate from 2005 as illustrated in the FEIS, when our experience is that the cost of road construction has increase about 20% in the last two years. For example, the FEIS maintains that the reconstruction of 9.5 miles of rural road in the MatSu and then construct a new road (Northern Access) across the Point McKenzie District to the Mat—Su Port is estimated at construction cost of \$34.2 M, including the contingency of \$7.2M, plus \$5M for design, engineering and construction administration. At \$46.4M for approximately 11.5 miles of road is about \$4M/mile, which seems very optimistic. Likewise, the estimated cost of the bridge crossing and the cut and cover in Government Hills should be reviewed in light of recent construction cost escalation.
- E. The projections of population and travel changes as reported in the FEIS claim that by the design year of 2030, an estimated 16,300 people from the Anchorage area will move to the Mat-Su and locate within the "travelshed", an area where most likely travelers will use the bridge from Mat-Su to Anchorage. In addition, the redistribution of population from the Mat-Su population growth from the Palmer and Core area to "travelshed" is reported to be a combined total of 59,000 people. As a comparison, the Chugiak /Eagle River population in 2005 was an estimated 34,100 and continues to grow. To consider that in 20 years a population of regional residents using the bridge will be almost twice that of the existing Chugiak/Eagle River and using the existing Glenn Highway still remains a difficult concept to support. These assumptions are particularly troubling in light of recent census and Alaska Department of Labor data indicating slower growth rates for the Mat-Su region.

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- F. The argument that the bridge supports a reflected forecast of demand and claims to take into account where people want to live and in what kind of housing they want is a skewed argument. When in fact the bridge is necessary to create, more accuratly to redirect, the demand in the location that is necessary to support the bridge, its trips and thus its tolls, thus its financial support.
- G. In response to MOA comments about the priority ranking of the project, the FEIS cited the AMATS Policy & Procedures for Grandfather Projects. However, the application of the policy was intended to be for those projects, particularly, Non-NHS projects, which AMATS has responsibility to rank and score to support its allocation of the Non-NHS {Surface Transportation Program} Funding. Since the Knik Arm Crossing was never ranked, and its not a Non-NHS project, applying the AMATS Policy and Procedure regarding Grandfathering projects is not appropriate for the Knik Arm Crossing.

The Municipality offers the following edits and clarifications in FEIS.

- 1. Edit/Clarify the graphic on page S-27, Exhibit S-10 to remove the Degan alignment and the related lands shaded to the north of Government Hill
- 2. Edit page S-29, Exhibit (S-12) to illustrate a cut and cover facility, with green shade as reflected in the graphic key/legend, for Phase I on Erickson. The graphic appears to illustrate a trench type facility, which is not the message in the text as to FHWA's intent for a cut and cover on Erickson for both Phase I and Phase II. Review table on page 2-110 that cut and cover tunnel is technically reasonable, and that a cut, no-cover is not technically reasonable.
- 3. Clarify; page S-55, section 4.7, last bullet, regarding the \$71,000 mitigation through SHPO to MOA for a Historic Plan?
- 4. Edit, page 2-119, add pedestrian facilities to the graphic cross-section of the proposed facility, as stated in text and illustrate on page S-26, Exhibit S-9.
- 5. Edit, page 2-122, deleted the word "future" for the path
- 6. Edit, page 3-46, delete/clarify the last sentence. Clarify that the A/C couplet is recognized as part of the National Highway System (NHS) north of 6th Ave. The reader is lead to believe that the entire length of the A/C couplet is on the NHS, which is not the case
- 7. Add to FEIS, the reference to AR 2007-46(s), with note that "No construction work will be completed on the Anchorage landside bridge approaches until the complete funding package is secured for the bridge and the access connections and the project design had been submitted for review through the established municipal design process".