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The Alaska CONTRACTOR

ANCHORAGE CONTRACTOR INDEX:

SOUTHCENTRAL
ANCHORAGE BRAGAW STREET VAULT/ANCHORAGE LOOP
$2,898,000
Alaska Mechanical, Inc.

PALMER CHUGACH STREET
REHABILITATION
$2,011,841
Pruhs Corp.

ANCHORAGE SERVICE PATROL/TRANSFER STATION
$1,542,736
Purcell Security Services

PALMER HIGH SCHOOL
NEW CEILING LIGHT FIXTURES
$699,000
FE Contracting

ANCHORAGE TRUST AUTHORITY
BUILDING REMODEL
$517,894
Willidell Enterprises

ANCHORAGE ASD WHALEY
BOILER REPLACEMENT
$383,333
Consolidated Contracting

ANCHORAGE LOUSSAC LIBRARY
COOLING WATER WELL
$296,722
Consolidated Contracting

ALMER CHUGACH STREET
COOLING WATER WELL
$0.00
Willidell Enterprises

ALTHAURUS BARTHOLOMEW
AIR CONDITIONING UPGRADE
$129,000
Arctic & Western Industries

ANCHORAGE ASD 5 SCHOOL
INTERCOM UPGRADE
$269,400
Goertz Construction, Inc.

ANCHORAGE EGAN CENTER
HVAC UPGRADES
$221,382
Control Contractors, Inc.

ANCHORAGE ASD CHINOOK
DOOR INSTALLATION
$194,000
Ridge Contracting, LLC

CORDOVA WAREHOUSE
EXTERIOR CLADDING
$161,205
Wolverine Supply, Inc.

ANCHORAGE ASD FACILITIES
BLDG HVAC UPGRADES
$128,222
Consolidated Contracting

PALMER HIGH SCHOOL
BLEACHERS
$127,400
Alaska Industries

ANCHORAGE ASD WILLOW CREST/
BEAR VALLEY CARPET REPLACEMENT
$125,000
CEI

SOLDOTNA RIVERBANK
RESTORATION
$109,900

Low Bids for 2006

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Low Bids for 2005

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1) Source from projects advertised in the AGC of Alaska Newsletter
2) Calculations based on date of bid
3) Supply/Service, Non-Construction bid results are not always advertised in the bulletin
4) RFP results are not always advertised in the bulletin

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NOME 2005-2007 SHEET PILE
NEW STUYAHOK AIRPORT IMPROVEMENTS PHASE III
$4,939,980
BC Contractors

ATQASUK/ANAKSUVA PASS
FENCE CONSTRUCTION
$317,774
OES, Inc.

DEERING/SHUNGNAK
K-12 TECHNOLOGY UPGRADES
$123,400
Haakenson Electric, Inc.

INTERIOR

FAIRBANKS ADMIN BLDG
HVAC SYSTEM UPGRADE
$18,000
Western Mechanical

SOUTHEAST

SITKA SAWMILL CREEK
ROAD PHASE II
$8,028,096
S&S General Contractors

JUNEAU BAYVIEW
PUMP STATION/FORCE MAIN
$1,076,744
Miller Construction Co., Ltd.

JUNEAU/DOUGLAS HS OIL TANK
$312,243
North Pacific Erectors

JUNEAU EGAN DR., AT YANDUKIN DR. RE-BID
$112,200
Admiralty Construction

Spring 2006
As I write this column for the spring “Contractor” magazine, I’ve just returned from our annual legislative fly-in to Juneau. Fifteen of us made the trip, walking the halls and meeting with our elected representatives. The annual reception Tuesday evening that AGC sponsors together with the Alaska Trucking Association and the Alaska Miners was very well attended by legislators and their staff members. As expected, during our visit the subject of the Knik and Gravina bridges came up. All of us have opinions concerning the construction of these bridges.

Those of us who made the trip generally agree that the bridges are worthwhile projects but that the current proposal as set forth by the governor would place some of the immediate maintenance needs of our existing roads and highways in jeopardy. Therefore, we believe the current Statewide Transportation Improvement Program process is the best path for funding Alaska’s transportation needs.

Department of Transportation & Public Facilities Commissioner Mike Barton’s January 26 “Compass” piece in the Anchorage Daily News identified a number of factors that affect the STIP process, which ultimately determines the amount of dollars available. As many of us are aware, “bridge bashing” has become quite popular, and bashing seems to be popular for many other projects as well. As an industry, as well as a state, we need to consider for a moment where Alaska will be in 20 years if we don’t find a way to successfully move forward on projects currently being considered as well as identify and construct the future infrastructure needs of our state.

Projects such as the governor’s “Roads to Resources” will allow major mining projects throughout the state to be economically developed and will provide employment for many of Alaska’s rural residents. Millions of dollars of deferred maintenance along our highways, and yes, bridges are all on the table. Consider for a moment that we have not built a new highway in Alaska for more than 30 years. Sure a number of them have been widened but is the long-term solution for the most overloaded highway in the state, the Glenn Highway between Palmer and Anchorage, a few more lanes? Projects like these are sometimes controversial, and yes they are expensive. But Alaska is going to continue to grow and these projects won’t get any cheaper.

So how do we pay for these projects? Currently the majority of these projects are funded by the federal government. Alaska currently receives approximately $5.80 for each dollar we contribute to the Federal Highway Trust Fund. It’s unrealistic to believe that this level of funding will last forever. Alaska is unique and as such will always have unique infrastructure needs, and our congressional delegation will continue to remind the federal government of this. But the time is coming that we’re going to have to think about other funding sources. Alaska has no state highway program and we currently have the lowest gas tax in the union. We also have a $30 billion dollar savings account. All of us need to do our part to enlighten Alaska’s citizens that infrastructure investments are good for the future of our state. We need to look beyond next year’s Permanent Fund Dividend and look at what it’s going to take to ensure the long-term health of Alaska’s economy for our children.

If you’re not convinced that projects such as these are worthwhile, consider for a moment where we’re going to be if we don’t move forward and continue to improve our infrastructure. As Alaskan’s we’ve always taken great pride in not doing it like they do in the “Lower 48.” Thinking along those lines, have you driven around Seattle lately, a fast-growing city that has not built or significantly enlarged a single major traffic artery for more than 20 years?

Alaska must have a viable state highway program and identify funding means if we are to avoid the kind of gridlock that affects so many other cities in the lower 48.
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Addressing the shortage of construction workers

For more than a decade, AGC has been warning that a shortage of construction workers was imminent. How, when and where the shortage would start to manifest itself were uncertain, but the demographic information defining the shortage is compelling. An aging workforce, a growing industry, a demographic anomaly wherein the number of workers entering the labor market is smaller than the number retiring, and a public policy aimed at discouraging hiring non-resident workers factor into the projected shortage. All this has occurred at a time when secondary schools throughout Alaska have moved away from the “shop classes” that have traditionally served as a pipeline to the construction industry.

It’s important to note that AGC is no longer a lonely voice in the wilderness on this topic. The Alaska Workforce Investment Board has recently issued a long-term strategic plan to address the shortage. This was the first long-term strategic plan published for any industry in Alaska. It reflects an acknowledgement at the highest level of the state that the problem is real and requires a bold plan and a solution that involves both the public and private sectors.

The first strategy that is being advanced is a pilot program developed by the Anchorage School District, the Alaska Department of Labor and Workforce Development, the Anchorage Homebuilders, Alaska Works and AGC. Under this program, the Anchorage School District will utilize the King Career Center after hours to offer construction courses to both ASD students and non-students. The ADOL will identify unemployed or underemployed young adults that are interested in a career in construction and alert them about the program. Alaska Works will work with the ASD to identify instructors and develop curriculum. AGC will perform pre- and post-testing to assure that the students are learning the material.

Perhaps the most important partner in the program is the Anchorage Homebuilders because they have made a commitment to place the students in construction jobs. All the partners have one goal in common. They desire to create an environment wherein students that successfully complete the basic training can be placed in meaningful employment. The program is not designed solely to train students; it is designed to train them and successfully place them in jobs that represent the first step in a career in construction. It is expected that students will have multiple opportunities to leave for jobs or continue their education. It is not expected that the students will leave the program as skilled electricians, plumbers or carpenters; but instead will leave the program with sufficient training to allow them to successfully participate in employer-provided training necessary for them to become skilled electricians, plumbers or carpenters.

AGC and the ADOL are working with key legislators to secure financing for the project. Thus far, the positive reception by legislators is encouraging.

If the program is successful, it is expected that the pilot program can easily be exported to other areas in the state. Hopefully any area that can demonstrate a need for construction workers and an employer base committed to hiring the program completers can replicate the program.

As promising as this program seems to be, it is important to recognize that the students completing the program will only possess enough background and training to allow them to successfully enter an apprenticeship program or some other craft-training program. Employers are going to have to make major investments in craft training if the industry is going to successfully transition from the current generation of workers to the next. How this craft training is to occur and how such training will be financed has not yet been defined. Suffice it to say that the strategies used in the past must be supplemented and expanded if the labor shortage is to be adverted. But at least something is being attempted to deal with the anticipated shortage.
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Alaska’s drug use is high: drug testing is important

By Matthew Fagnani

Overall, Alaska’s population may be small, but when it comes to frequency of drug use and abuse, statistics tell a depressingly different story.

Illicit drug use in Alaska is higher than the national average, according to a survey released in 2005 by the Substance Abuse and Mental Health Services Administration, a division of the U.S. Department of Health and Social Services. In 2004, 12.4 percent of Alaskans age 12 and older admitted to being current illicit drug users, compared to the national average of 7.9 percent. This particular survey is the national standard by which states and the federal government measure drug trends.

Most of Alaska’s drug users admit to being current marijuana users. Three percent admitted to abusing prescription drugs, which was higher than the national average of 2.5 percent. Only 0.8 percent of Alaskans were current cocaine users.

Monitoring Trends

It’s difficult to obtain a definitive picture of illicit drug use in Alaska and the rest of the country, but consultants and companies such as WorkSafe closely monitor available data. Part of our job, besides providing workplace drug and alcohol testing, is to identify trends as they develop.

Alaskan employers everywhere pay special heed to these numbers; they look for professional advice and perspective on how to interpret the drug-use statistics. At WorkSafe, we communicate these historical trends in drug use and try to relate pertinent information to what’s happening within Alaska’s workforce.

For example, the most recent information available from the federal government indicates that there are more than 19 million “current” illicit drug users (those who admit to using illicit drugs in the past 30 days) in the United States. That’s nearly 8 percent of the population over the age of 12.

Workplace Drugs

Statistics on drug use are troubling in themselves and even more disturbing when you consider these same people, many of them teens, will be knocking on your door for a job.

Because today’s teen drug user is tomorrow’s job applicant, it is important to monitor youth drug use trends.

Among youths aged 12 to 17, rates of current illicit drug use varied significantly by major racial/ethnic groups in 2004. The rate was highest among American Indian or Alaska Native youths, 26 percent, and lowest among Asians, 6 percent.

No part of society is immune from substance abuse and its devastating impact, including the workplace.

However, employers have one of the single, most powerful weapons in the war on drugs—drug testing, says Bill Current, a drug testing consultant and author of the book, Why Drug Test?

States and communities offer a wide variety of social programs to help combat the spread of substance abuse, but in the long-run, the most effective deterrent has proven to be drug-free workplace programs, especially those that include mandatory drug-testing.

Proven Results

The federal Department of Transportation requires mandatory drug testing. Many of its employees are involved in sensitive, public safety jobs, such as maintaining the nation’s air traffic control system. DOT also happens to be the government agency that issues national drug testing regulations, as well as standards for drug-testing compliance.

DOT is a perfect testament to the impact that maintaining a drug testing program can have. It is well known that DOT workplaces must drug test; employers and all applicants are aware of this and have incentive to stay drug-free.

Since 2001, among companies and organizations requiring mandatory drug testing, positivity rates (the numbers of employees testing positive for illicit drug use) have remained approximately 50 percent lower than those companies and organizations without mandatory testing.

Maintaining a drug-testing program appears to be a strong antidote to keeping applicants and employees drug-free.

Matthew Fagnani, C-SAPA, C-SI, is president of WorkSafe, and can be contacted at (907) 563-8378.
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With more than 100 years of total combined experience, it’s no wonder Alaska Professional Construction Inc. has paved the way for its reputation as a concrete business producing one of the best finished products in Alaska. With some of the best tools, state-of-the-art equipment and a super-experienced construction team, APC’s pride in the work it produces is evident in every job they complete.

Jesse Olson, president of APC, began his business modestly after winning a bid for pouring foundations and sidewalks for a military housing project in Kodiak in 2001. He promptly enlisted the assistance of his dad, Dan Olson, who has more than 40 years of concrete slab experience and hired brothers Jeff and Alan as well. With the completion of the Kodiak project, Jesse opened his first office in his parent’s house in Wasilla and began accepting other jobs. In 2004, he opened a large, spacious office in the Matanuska Valley, and APC has been building its reputation as one of the best concrete-finishing businesses in the state ever since.

One of 13 children, Jesse learned the value of hard work, experience and pride in a job well done at an extremely early age. Although brother Alan has since moved on to Washington, sibling Jeff and brother-in-law Wayne Matson are still the foremen for APC and father Dan Olson, “thashes around with us,” Jesse said with a laugh. “He bids jobs, he’s owned placement companies and worked for structural companies. He’s where we all got our teaching from.”

Together, the core crew have the combined experience necessary to handle almost any job dealing with the placing and finishing of concrete slabs, and the confidence that comes with the knowledge they possess some of the best equipment and labor in the state.

Jesse makes no secret about his extremely high standards in this business. “We have the idea that we are always striving for perfection. You can always find something to improve and we know there’s no such thing as perfection,” he commented. “But, it’s our goal.”

That business philosophy has enabled APC to solidly leave its mark in the field of concrete construction. To date, APC’s finished jobs include the floors at the Fairbanks, Eagle River and Palmer Fred Meyer stores; the Wasilla Home Depot; both Home Depots in Anchorage (one new, one remodel); and a new retail Sportsman’s Warehouse in Fairbanks.

In the summertime, when things are busiest, APC has about 20 full-time employees. While it could easily hire more people for additional jobs, Jesse is unwilling to make any sacrifices in quality in exchange for quantity. “I don’t need to be the biggest contractor out there with the most employees,” he said. “I want to be the best contractor with the best product I can possibly be. If that means fewer jobs but superior results, that’s fine.”

Such attention to quality was learned at an early age. Dan worked in Alaska doing mine construction decades ago, and the crew would frequently come up to wherever he was and work with him. When Dan started pouring concrete for Alaska Mechanical, Jesse, Wayne and Jeff would be his structural crew. Dan remains very proud of his concrete and structural flatwork background, and admits it’s been a great career, one that’s not over yet. “I’ve always made an excellent living in construction,” Dan Olson said with a laugh and a twinkle in his eye.

APC’s Matanuska Valley office consists of a large, gray building with several offices inside; one massive, attached indoor garage and four over-sized outdoor garages. Inside the garage is what appears to be several green ATVs adorned in metal dresses with large control handles. These machines are APC’s fleet of riding power trowels, and, with six of them, APC has the largest group of riding trowels in the state. It is these state-of-the-art, huge machines that enable APC to produce a high-quality, finished concrete floor.

Prior to these trowels, after pouring concrete, workers had to wait a day before they could saw the floors and the inevitable, uncontrolled floor cracking would occur. Now, with these trowels, slabs can begin being cut with an early entry saw immediately after the final finish, leading to a much smoother, flatter finished product.

But APC’s largest amount of pride in its equipment comes from the Laser Screed sitting in an outside garage. This 20-foot-boom machine with a 12-foot head
runs off of lasers and produces an extremely flat floor. “It’s the only S-240 Laser Screed up here in Alaska,” Dan said. “There are other, smaller ones, but this is the biggest, you can place a 45,000-square-foot slab with this screed. No one really wants a sub-par slab. With this, we deliver superior results.”

To emphasize what APC and their Laser Screed can do, Jesse Olson brings up the recent Home Depot remodel job they completed in Anchorage. “We started at six in the evening, but to bring the job up to our standards, we’d be on the site for around 48-hours at a stretch. We just couldn’t say, ‘it’s good enough.’ What took us long hours was getting the perfect finish.”

Jeff Olson, APC’s foreman, echoes those sentiments. “Everybody is conscious of what to do. Everything’s a very smooth operation and everyone is concerned about turning out a superior product. The guys are phenomenal about knowing what they need to do. When you’ve got good guys working along with you, the work gets done and the group turns out an excellent product.”

Never one to stand idle while there is work to be done, Jesse Olson also gets out to APC’s job sites in the summer months and immediately gets involved with the pouring of concrete and the finishing of the slabs. He tries to spend Monday through Wednesday in the field, and the remainder of the week reluctantly finishing paperwork in his office. It is obvious Jesse’s true enjoyment lays in working out in the field at various job sites, ensuring the precise attention to detail that was instilled into him as a child remains evident in every job APC’s finishes.

Jesse Olson’s pride in his company is obvious. “The biggest objectives in any concrete floor finish are quality and accuracy. Every job is a challenge to accomplish,” he said, “but having the best labor and best equipment leads to the most satisfied customer.”

In that interest of satisfying customers, Jesse has let some of his own interests lapse. This becomes evident when, in the last garage, almost buried behind equipment, Jesse’s beautiful fishing boat is parked. This boat has been in the same place since he purchased it more than a year ago, because Jesse’s been far too busy to ever use it. He promises this summer he will get out on it, but his busy season has yet to start and he is already headed out of town for a meeting about a project in Fairbanks. While the boat may remain idle, it is obvious APC will not.

Tiffany Horvath is a life-long Alaskan, born in Fairbanks and raised in the Mat-Su Valley. She has worked as a seasonal reporter for both the Frontiersman in Wasilla and the Tundra Drums in Bethel.
Road construction safety

Spring is in the air, which means the busy road construction season cannot be far away. This is a busy time of the year where construction workers are at risk of death or serious injury from being struck by vehicles or equipment in work zones. But it is not just construction workers we need to protect.

Work Zone Accidents

According to the Association of State Highway and Transportation Officials, accidents in highway construction zones kill more than 1,000 people each year, and most of them are drivers. In 2002, 1,181 people died and 52,000 were injured in work zone crashes and four out of five of those who die in work zone crashes are drivers and passengers, not highway workers. Unfortunately the number of deaths is rising because highway construction is increasing.

Recently Alaska Gov. Frank Murkowski proposed legislation that would allow state officials to designate dangerous stretches of highway as “traffic safety corridors,” where speeding and other violations would carry double the normal fines. This is in addition to existing legislation, AS 28.40.070, which doubles fines within a highway work zone.

Traffic Control Plan

Construction contractors need to have a system in place to develop traffic control plans to warn, reduce the speed of vehicles through the work zone, guide motorists through work zones, and comply with applicable regulations regarding flagging and traffic control plans.

A traffic control plan must be developed before the work begins in order to guide drivers through or around the work zone. The TCP should include:

- Advance warning to drivers of the road work ahead
- Traffic control devices clearly marking the work zone and channeling traffic through
- Returning traffic to normal traffic patterns as quickly, safely and efficiently as possible
Before you begin to design or set up a work zone, Alaska road construction contractors will want to check with the Alaska Department of Transportation & Public Facilities for the latest version of the Alaska Traffic Manual, which is the standard for traffic control devices on public roads in Alaska. It consists of the Manual on Uniform Traffic Control Devices and the Alaska Traffic Manual Supplement. It references Alaska sign design specifications, which is the sign layout standard for Alaska public roads.

It’s also important to be sure that you invest in the necessary training and certification before you start work zone planning. In Alaska, worksite traffic control supervisors and flaggers are required to be certified by the American Traffic Safety Services Association or the International Municipal Signal Association.

**Work Zone Navigation**

Plan your work zone so that it’s clear, uncomplicated and easy to understand by the drivers who will navigate through your project. Be sure to consider environmental factors such as weather, sun angle and visibility. Traffic control plans should also address:

- Type of roadway (divided, number of lanes, access)
- Volume and speed of traffic
- Type of job and duration
- Type and number of traffic control signals and devices
- Documentation of plan and changes
- Conduct problem-checking test drive
- Maintain devices while in place
- Remove devices when work completed

**Bottom Line**

Spending the time getting your employees trained, preparing good TCPs and evaluating how things are going at the work zone can pay big dividends in worksite safety. Keeping an eye out for your workers and the motoring public will help ensure a good safe construction season in Alaska.

Chris Ross, CSP, is the AGC/NANA Training Systems general manager. Visit their Web site at www.nana-nts.com or call (907) 565-3300 for more information.
Juneau Electric  

By KRISTAN HUTCHISON

A small-town electric company

For Juneau Electric, keeping the lights on in a small community means taking jobs of all sizes.

It’s a bumper year for the company, with most of its electricians working on a $24.3 million addition to Bartlett Regional Hospital. Even so, Juneau Electric owner Carla Meek makes sure to always have electricians available to respond to residential service calls.

“That’s my favorite part of the business. It’s the part I have the most hands on with,” Meek said. “I like talking to the customers. I really like getting to know the people.”

That kind of customer service has allowed Juneau Electric to endure in Juneau’s limited market. When Meek bought the business from Grasle Electric in 1994, the company had seven electricians and was on the verge of being closed down. The owner, JWP, a national company traded on the stock market, was facing financial trouble. In reorganizing the national business, JWP decided to divest of small branches, including Grasle Electric in Juneau. At the time the Juneau branch was doing a little less than $1 million a year.

“Our entire year’s sales were less than one of their smaller jobs,” Meek said.

Rather than see the business she’d been working for close, Meek bought it, changed the name to Juneau Electric and moved it to a smaller space. Twelve years later the company has more than tripled in size, with 27 electricians and $3.5 million in business this year, mostly from the hospital job.

In general, 90 percent of Juneau Electric’s business comes from large construction jobs. Juneau Electric wired Riverbend Elementary School, the Juneau Police Station, Wildflower Court nursing home and new traffic lights along Glacier Highway. For the last five years the company averaged about $500,000 in work a year.

“You have unrealistic expectations if you think you’re going to get a whole lot more work than that in Juneau,” Meek said. “You could get more work, but you’d have to be a whole lot more ruthless and also you’d have to work all over southeastern Alaska. I have no interest in working outside of Juneau.”

Meek not mild

Meek arrived in Alaska in 1981 wearing high heel shoes and nylons. She had been selling real estate in Bellingham, Wash., where she’d earned degrees in geology and public administration. In Anchorage in the 1980s, most of the available jobs were in construction, so she became an electrician. She was one of three women chosen for the Alaska Joint Electrical Apprenticeship Training and Trust, out of 75 who applied.

As one of the first “sisters” to join the International Brotherhood of Electrical Workers, the five-foot blond faced sexist attitudes with aplomb.

“I worked really hard to just do the right thing and to just be one of the guys,” Meek said. “Not to be macho male, but to just be an electrician as opposed to a female electrician. Mostly that’s worked very well for me.”

Her gender isn’t an issue anymore in Juneau, where Meek has worked with all the contractors. She’s also the first woman to sit on the state board for the National Electrical Contractors Association.

“That has always been a fairly close-reined board,” Meek said. “You’ve got to be fairly decent size and have a good reputation in the business to get on that board.”

While Meek claims she originally fell into the electrician’s business by accident, her success is no mistake.

“It’s probably the 60 to 70 hours a week that I work,” Meek said with a laugh, but she’s serious. She brings work home and lies awake at night thinking about what is needed for the next job.

The cyclical nature of Alaska’s economy makes it difficult to keep consistent work for the electricians. Meek has watched other electrical contractors come and go as they fail to find the comfortable balance between having enough work and not being overextended. Meek said she’s established a crew of good electricians and tries to keep them working.

During a dry spell, Meek kept her crew employed through the winter by replacing all the lamps and ballasts in her building with energy efficient ones.
The benefit was she cut her power bills by a third permanently.

“That’s why you see the state and everybody else out doing that. It’s not a hype job. I can show you my power bills.”

While government and businesses have made the switch to energy efficient lighting, few Juneau home owners have, Meek said. The other trend still to reach Juneau are homes fully wired to be run from a central computer. The addition of data communication is the biggest change Meek has seen in the electrical business. It’s now possible to set up an ordinary house to be run via computer from anywhere in the world, so homeowners escaping the winter blues to Las Vegas can control the heat and lights while they’re on vacation.

The project currently keeping Juneau Electric busy—and Meek awake at night—is the 55,000-square-foot addition to Bartlett Regional Hospital. The expansion includes $3.5 million in electrical work. Juneau Electric put in a new generator and is replacing the main service lines to the building, putting in new electrical panels and re-feeding the old panels. The result should be more reliable power, particularly when winter storms cause general outages.

“That’s a huge job for Juneau and as a consequence that’s a huge job for a Juneau contractor,” Meek said. “It’s not a huge job by anywhere in the rest of the world’s standards.”

Bartlett Regional Hospital is the largest job Juneau Electric has done, but Meek is still proudest of Riverbend Elementary School. Built in 1997, it was the first big job Juneau Electric did and Meek spent hours personally making sure the school was well wired.

“I was really disappointed that my kid couldn’t go there,” Meek said. “I really thought it was a good job; a good, pretty school with a nice design.”

Working for the federal government, on the Federal Building in downtown Juneau and the Coast Guard facilities, is also satisfying because they are so clear about what they want, Meek said.

Government contracts boost the bottom-line, but at the end of the day Meeks finds it’s the small residential projects that keep her in the business.

“We probably get 20 or 30 thank you notes a month. Thank you so much for sending that nice guy to fix that outlet.” Meek said. “It’s why I like service work. Because people actually care and you’re sort of rewarded for caring about them.”

Kristan Hutchison is a Juneau-based freelance writer.

**Photo:** Juneau Electric

The Bartlett Regional Hospital expansion is one of the largest contracts Juneau Electric has ever worked.

The Bartlett Regional Hospital expansion is one of the largest contracts Juneau Electric has ever worked.

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Check attorney fees clauses

A January Alaska Supreme Court decision reminds us once again of the importance of reexamining standard, preprinted forms used by the company. The company’s standard contract probably includes a clause covering attorney’s fees if there is litigation. But will it provide the intended result when needed?

Normally in Alaska, the prevailing party in a lawsuit is entitled to an award of a portion of the attorney’s fees incurred in achieving a judgment in its favor. However, only a portion, typically 20 percent to 30 percent, of the fees actually incurred are awarded. Parties can alter this by providing in their contract that the winner recovers full attorney’s fees. Such a clause will govern over the normal procedure rule.

The case involved the rental of a rock crusher and related conveyors and accessories. The lessee failed to make the rental payments and the lessor repossessed the equipment, and then pursued a claim for unpaid rent. The lessor was ultimately successful; both in repossessing the property and obtaining a verdict after a jury trial in which the total damages awarded were just over $50,000. The lessor also defeated a $360,000 counterclaim by the lessee. The court held that the lessor was the prevailing party.

The equipment lease document was divided into a Rental Agreement and an Option to Purchase Agreement. It was all one document and the pages were numbered consecutively. One clause covering attorney’s fees stated: “If lessee fails to make all payments when due or defaults on any obligation, term of notice, lessor shall thereupon be entitled to immediate possession of all equipment, and in the event of the commencement of any suit or action involving this contract ... lessor’s reasonable costs in recovering said equipment and such additional sum as the court may adjudge reasonable as attorney’s fees in such suit or action or upon any appeal there from.”
Unfortunately, for the lessor, the Alaska Supreme court held that because that clause was near the option to purchase language, it applied only if the lessee had exercised its option to purchase and was making payments on the purchase. The phrase “fails to make all payments when due or defaults on any obligation” apparently did not mean what one might otherwise think. Another part of the contract permitted the lessor to recover all expenses incurred in repossessing the property. The court awarded the lessor full attorney’s fees up until the equipment was repossessed, but did not permit full attorney’s fees for the rest of the lawsuit needed to achieve a judgment.

Standard forms, such as the AGC form and AIA form, should be checked to assure that they provide the protection that is thought needed. Those forms do not necessarily provide for the recovery of full attorney’s fees in all instances. If a contractor is asserting a mechanic’s lien on real estate, the statute provides that the mechanic’s lienor, provided it prevails, is entitled to full attorney’s fees incurred in enforcing the lien. But many times, for one reason or another, a lien may not be involved and the contractor will be required to rely on what is in its contract.

The lesson is to check and check again the so called “boilerplate.” A contractor should review the standard and preprinted contracts it uses to assure that the attorney’s fee clause is not merely capable of being understood, but more importantly, is incapable of being misunderstood.

...assure that the attorney’s fee clause is not merely capable of being understood, but more importantly, is incapable of being misunderstood.

Robert J. (Bob) Dickson is a partner of the Anchorage law firm Atkinson, Conway & Gagnon, Inc.
MEMBER PROFILES

Cooking up the goods

In 1964, a 9.2 magnitude earthquake rocked Alaska and left destruction in its wake. Once reconstruction began in the quake ravaged areas, many companies from the Lower 48 made their way to the Last Frontier to assist with rebuilding and offer their services. One such company was Fuller O’Brian, today known exclusively as a maker of paints. Almost 40 years ago, however, Fuller O’Brian offered an entire gamut of home services, including flooring, glass, interiors, paint and more.

Two workers for Fuller O’Brian at the time, Ray Allen and Jack Petersen, liked what they found in Alaska and decided to make the state their permanent home by opening a joint business venture. When Ray and Jack formed their original company together, it was with the intent to focus on contracting, but they soon found they had a lot of surplus product left over from various jobs and, more importantly, that there was a huge need for this surplus. Thus they began their retail careers with the opening of Allen and Petersen Cooking and Appliance Center in 1978 on the corner of Benson and the Seward Highway in Anchorage.

That store is still there, still thriving and still doing business exclusively in Alaska. According to Leon Barbachano, CEO and general manager of Allen and Petersen, it was Petersen’s goal to have the first full-service home decorating store anywhere; he wanted a store that an individual could get everything at in one stop: appliances, flooring, paint, cabinets, etc. This was a vision fulfilled with the opening of the first Allen and Petersen’s.

Barbachano would be one to know about Allen and Petersen’s vision. He started working in the Palmer store (since closed) when he was 14 as a kind of gopher/janitor/filer. He graduated up to paint mixer a few years after high school and is still with Allen and Petersen today, almost 20 years later, and oversees all aspects of the business operations.

While the original format has changed since Petersen’s earliest vision, the store’s commitment to customer service and emphasis on providing something different to Alaskan residents has stayed the same. “Around 2002-2003, Allen and Petersen decided to focus exclusively on cooking,” Barbachano said. “Our store is now all about cooking. We offer the pot to cook in, the appliances to cook on and instructions on how to cook in our cooking school. We got rid of the paint, flooring, wall coverings—everything to focus exclusively on cooking.

“Our goal is to bring families together by having family dinner,” Barbachano explained. He stresses that Allen and Petersen sees the importance of families eating dinner together and wants to do what they can to encourage such happenings.

To that end, one can find anything one needs to cook just about anything one can dream up at Allen and Petersen. And if you don’t know how to cook something, they offer cooking classes taught by graduates from UAA and chefs that have found their way up to Alaska. The number one thing needed to teach a cooking class for Allen and Petersen, however, is enthusiasm. “We look for someone who loves cooking and who can share that love with students,” Barbachano said.

There are currently three Allen and Petersen stores in Alaska, in Fairbanks, Kenai and Anchorage. The three stores, including the Allen and Petersen warehouse, employ about 40 full-time people.

The biggest challenge when it comes to offering this all-resource cooking empo-
rium, according to Barbachano, is getting the right product to Alaska at the right time. “We carry $2.5 million in inventory in order to be able to fulfill our customer’s requirements,” he said, “and we have to order almost a year ahead of time. We order in January for Christmas.”

So why would a store that relies on cooking classes and the selling of cookware be interested in membership in the Association of General Contractors?

“Supporting construction and contractors is very good for us. It’s good for business,” Barbachano said. “We couldn’t exist without the contractor.”

Sales manager Bria Johnston agrees with Barbachano’s sentiments. Johnston comes from a real estate lending background, so dealing with contractors initially was a change for her. Now, after selling appliances with Allen and Petersen for more than three years, she is extremely contractor savvy.

“We put entire packages together for contractors to make sure everything matches up,” Johnston said. “We follow through with electrical and specs so that they can get done correctly.”

Johnston explained that many of their contractors would send their clients to her directly. “I like the one-on-one. The contractors send their clients in to make their selections and I’ll help do kitchen design around the package we have put together. I like figuring it out, and it’s fun to see the clients get excited.”

It can take anywhere from three weeks to nine months to complete a kitchen for a contractor, depending on what the clients likes and doesn’t like and what needs to be ordered.

The other huge benefit for Allen and Petersen’s membership in the ACG is simple: great benefits for employees. “ACG provides the best health insurance at the best rates for all our employees,” Barbachano said. “It’s better than any insurance company in the business, and since we mostly have full-time employees, we are able to offer them those benefits.”

In June 2005, Allen and Petersen was able to offer another unique aspect to their full-service kitchen store: To Go Gourmet. “We do all the shopping. We do all the chopping. We do all the mopping,” Barbachano laughed about this newest offering. “The customer comes in, assembles 12 meals based on recipe cards and personal preferences, and then leaves with 12 meals ready to go that they can just pop into the freezer. Each meal feeds 4 to 6 people.”

The concept, according to Linda Leber, the To Go Gourmet coordinator, “is awesome. We offer a lot of things for the busy family. A lot of people have commented on the decreased cost of food because they are not impulse shopping.”

To Go Gourmet is only available in Allen and Petersen’s Anchorage store right now, but there are plans to expand it in the future. There are two To Go Gourmet meal sessions a week, with a maximum number of gourmet chefs limited to eight per session. Some recent entrees at a March To Go Gourmet session included pineapple chicken fajitas, chicken cordon bleu bake, Greek shrimp and rice, champignon chicken, smoky maple glazed ham and salmon with caper butter.

“There’s a tremendous amount of guilt that goes away with this,” Barbachano said. “Your family is getting healthy food you’ve assembled yourself to their individual tastes. The time it saves is incredible, and there is nothing to feel guilty about.”

This all goes back to Allen and Petersen’s original concept of focusing on bringing the family back to the dinner table together.

“We believe our communities become better places when families eat around the table together,” Barbachano said. “We are committed to that goal, and everything in our store assists in that.”

Tiffany Horvath is a Wasilla-based freelance writer.
It’s a 300-plus-page outline of how Alaska plans to spend hundreds of millions of dollars...

It can be a project as simple as hauling a few loads of gravel to put a new surface on a rural road or as complicated as the Knik Arm crossing connecting Anchorage to Point MacKenzie on the other side of Cook Inlet. If it has to do with surface transportation—highways and waterways—it’s either in the Statewide Transportation Improvement Plan or it doesn’t even register with those who fund the projects and contract for the work.

Getting on the STIP is not necessarily easy. You can’t just wish for something to be listed. A project first has to be sponsored.Sponsoring agencies might include a municipality, a borough or the Department of Transportation & Public Facilities.

Once you have a sponsor to pitch the idea, then you have to come up with a funding source. The federal government is the source of most road, bridge and ferry money in Alaska, but the feds generally only pay a portion of the cost, typically 80 percent to about 90 percent. The state or borough or municipality must then come up with enough additional cash to fully fund the project.

Plus, it’s an oversimplification to say simply that the federal government is going to fund various road building and repair projects. Federal funding is divided into various categories and each project appearing on the STIP has to be properly categorized if federal funding is to be applied correctly. There’s a whole pile of acronyms involved here, but we can simplify this...
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somewhat by noting that of the approximately $200 million of surface transportation dollars heading for Alaska from the feds in 2006, about a quarter of it is for preventive maintenance, about half of it is going to build or rehabilitate roads in Alaska, and the rest is mixed up in trails and earmarks for specific projects looked on favorably by our congressional delegation in Washington, D.C.

**Earmarks**

Actually, when all of the earmarks are cranked into this year’s equation, Alaska has fewer road dollars to spend at the discretion of state lawmakers than last year, even though we are getting more surface transportation dollars from the federal government. Earmarks are strings attached to some of that transportation money, which means the money must be spent as directed by Washington, D.C., not as perhaps we might have chosen to spend it if it had just been money made available to Alaska.

Two of the more infamous earmarks making news in recent months have been funds set aside for work on two massive bridge projects in Alaska, the Kink Arm Crossing spanning Cook Inlet from Anchorage to Point MacKenzie and the Gravina Island bridge designed to connect the city of Ketchikan to the nearby island that accommodates the local airport. The national outcry over these earmarked funds for supposed “bridges to nowhere” was such that the feds took away the earmarks. They did, however, leave the money in Alaska’s account. All that means is that we have the same amount of money but that there is a little more of it available to use with some discretion at the state level. Both bridges, by the way, are in the STIP.

However … a lot of things must be considered before that no-longer
STIP Spending Categories

The STIP is divided into several transportation categories, with each receiving a portion of the funds. All projects nominated are placed into one of these categories.

- **The National Highway System** is the system of most important highways and ferry links that connect the state’s population centers with economic centers, border crossings and intermodal facilities.

- **The Alaska Highway System** is the system of state highways, roads and ferry links that are not part of the NHS but are still important to the state because they link cities with economic centers, recreational areas and span the distances between cities.

- **The Community Transportation Program** creates partnerships with local governments, tribes and other parties to build projects serving local and regional needs, including economic development-related projects.

- **Trails and Recreational Access for Alaska projects** improve access to recreational facilities and provide trails for transportation and scenic and interpretative improvements along highways.

- **Federally Required Programs and Preventative Maintenance.** These projects are required to meet federal eligibility such as data collection, bridge inspection, research and similar programs.

- **Earmark Projects** are sometimes speculative since future earmark funding is not realized until the earmark is contained in a Congressional appropriates bill.
earmarked bridge money is spent for anything besides the bridges it was originally aimed at.

Rep. Carl Gatto, R-Wasilla, co-chair of the House Transportation Committee, notes that Congressman Don Young, R-Alaska, wants that money spent for the bridges and that he wants Alaska to build both bridges at the same time. “We can’t afford to do both at the same time,” Gatto said. “We don’t have the money or the manpower.”

Young is also adamant, according to Gatto, that Alaska build infrastructure and not just fix potholes or otherwise repair existing roads. It should be noted that because of his longevity and committee assignments, Young exercises considerable control over transportation funds coming out of Washington, D.C., whether that money is destined for Alaska or any other state.

Gatto also points out that having the money earmarked by the federal government is pretty good insurance that the feds plan to continue the funding until the earmarked project is completed. Now that the bridge money is no longer earmarked, there is always the chance that funding might dry up down the road. “I think the money will be there to finish the bridges,” Gatto said, “but I can’t guarantee it.” He also says that Young promises the money will be there when needed.

Gov. Frank Murkowski has proposed using the money originally earmarked for the bridges on the bridges.

In his administration’s plans for spending transportation dollars, Gov. Frank Murkowski has proposed using the money originally earmarked for the bridges on the bridges. There’s some dissent to this plan on both sides of the aisle in the Legislature, but as of this writing, nothing has yet been set in stone … except the STIP.

In early March it was announced that the STIP had been finalized. This is the basic plan that is going to guide state funding of transportation projects for the next three years. The announcement of the change also noted that there had been 180 changes in the draft STIP as posted to the DOT&PF Web site. [Ed. Note: Research for this article was based on the draft STIP because it was the only one available before press time.]

No Guarantees

But, just getting listed on the STIP doesn’t necessarily mean your project is going to get built right away. “It might be on the STIP,” Gatto said, “but that’s no guarantee.”

Gatto points to a project to reconstruct Trunk Road, currently a serpent-tine stretch of narrow asphalt linking two major thoroughfares in his district, as an example. It’s been listed on the
STIP for years, but there has yet to be a load of gravel hauled or anything else done to the road. In part, the problem is the cost. Upgrading Trunk Road will be expensive.

“Six or eight other projects can be done for the cost of fixing Trunk Road,” Gatto said, “so it keeps getting knocked down in priority.” He believes, though, that work on Trunk Road will finally begin sometime in 2007 or 2008.

Any number of other things can crop up to block a project on listed in the STIP, even if the project has been assigned a high priority number.

For example, a road is desperately needed from King Cove on the Alaska Peninsula to nearby Cold Bay for the simple reason that Cold Bay has an all-weather airport. Residents of King Cove are often trapped by weather when seriously ill or injured and cannot gain access to medical assistance. This part of the state is notorious for its abysmal weather and people have died trying to reach Cold Bay by boat.
in a storm so they could be flown to Anchorage for medical assistance.

But … the few miles of gravel road in question would touch on a corner of Izembeck National Wildlife Refuge and environmentalists have been able to put this very needed piece of infrastructure on an all-but-indefinite hold.

Deciphering the STIP

DOT&PF has actually made the STIP easier to use and understand this year, either online or in print. Each project listed gets a single page—in some cases with more complicated information, two pages—in a common format. Everything from what the project is, to where it is, to how it’s funded, and its score by a Project Evaluation Board are provided.

To view the STIP online, go to http://www.dot.state.ak.us/stwdplng/cip_stip/stip06_08.shtml.

This is a sample page from the STIP showing how the information for each project is organized.
From here you can select which part of it—or all of it—you want to review and either read it on your computer screen or print it out. Beware, though, of printing out the entire document. It’s well over 300 pages long with an additional 16 pages summarizing the final changes available as an addendum.

To select just one project at random, consider the Funny River bridge crossing in the Kenai Peninsula Borough. Reviewing its page in the STIP you’ll quickly note that this is a federally earmarked project that will cost a total of $6 million. Since it is an earmark, there is no rating from the Project Evaluation Board. The primary scope of the work is described as new bridge access and the sponsor is the Kenai Peninsula Borough.

All of the projects listed in the STIP are handled in this manner, so after spending a few minutes learning how to interpret the data, you’ll be at home on any page you choose to review.

But … read closely all the pages that interest you. For example, DOT&PF is sponsoring a highway improvement project on the Alaska Highway near milepost 1303. Under the description it says, “Project is an essential highway improvement for general mobility, and will facilitate the construction logistics of the Alaska natural gas pipeline.”

It’s interesting that DOT&PF proposes to facilitate construction of the gas line when it hasn’t even been determined if the line is going to be built and while there is still considerable disagreement over where the line should be built. It’s also worth noting that this, too, is an earmarked project.

90 Buckets of Money

Federal money ultimately funds most of the roads and ferries in Alaska, but getting it and using it are complicated procedures. As you flip through the STIP, you’ll see a host of acronyms for funding sources. Each of these has to be accessed and applied properly to any given project.

According to Gatto, “We don’t get a bucket of money. We get 90 buckets of money.”

And each one of those buckets has a string attached.
Imagine a project connecting the Glenn and Seward highways with a large 90-degree curve on Third Avenue, traveling under Fairview intermittently through Ingra and Gambell to 36th. There could even be a colossal multimodal interchange with offshoots to the railroad, port and bridge—in 2025.

It is all part of the Anchorage Long-Range Transportation Plan—rewritten, revised, approved and adopted by both the Anchorage Assembly and Anchorage Metropolitan Area Transportation Solutions last October. AMATS is federally recognized and required. It is a state and local panel responsible for influencing where transportation dollars go in the Anchorage bowl.

The 20-year plan identifies, qualifies and quantifies future transportation needs. The plan is used to translate priorities, goals and objectives into tangible projects, which are then ranked and either do or don’t make it to the AMATS Transportation Improvement Program list. The TIP is updated and sent to the state Legislature in mid-January each year, with projects programmed for three years of available and anticipated money—mostly federal, some state and local. The state determines Anchorage’s share of federal and state money, which is expected to be less this year.

“The governor has roads to resources, but we need roads,” Mayor Mark Begich said.

Anchorage floats road bonds, $40-$50 million each year—although the interest is more than $15 million per year. Begich would like to see $70 million to $100 million make its way to Anchorage transportation projects this year from the state surplus, instead of the $30 million proposed by the governor, especially since 48 percent of Anchorage roads are state-owned.

“The governor has roads to resources, but we need roads...
to our homes and roads from the port to businesses,” Begich said. “That’s what we’re looking for.”

The focus of the new plan is roads, roads and more roads. All meant to ease congestion and improve safety and health in Anchorage.

**Roads**

The intent of the highway to highway project is to take out every streetlight between Bragaw and 36th, thus connecting the Glenn and Seward highways. Construction on the northern edge of the freeway project is being engineered by the Alaska Department of Transportation & Public Facilities and will be underway this time next year. The Bragaw interchange will be the first streetlight to go in this project, which will be constructed in phases.

“I really like the freeway to freeway plan,” Begich said. “It will reconnect neighborhoods; it will get those 100,000 cars out of the neighborhoods and put them on an access route that will move them through Anchorage much faster.”

The project will help move freight, too. “It’s not only an Anchorage project, it’s a statewide project,” Begich said, “because it has a major impact on the goods that are moved north and south of Anchorage—85 percent of the goods for Alaska come out of our port.”

That is just the highway to highway project, which is estimated to cost more than half a billion dollars. There is much more in the works. There is talk of bringing Bragaw south through University of Alaska land through the U-Med district to Tudor.

South of Tudor, a Bragaw link to Abbott Road is currently under construction, which will intersect with Dowling as it is built east. Dowling will also be extended west. Work continues extending C Street to O’Malley. There are scores of road projects in the plan.

Those projects reflect what AMATS Project Manager Jon Spring called “philosophical changes” that altered the “overall tone of the plan.”

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*continued on page 32*
Priorities

Revisions to the plan began with Chapter One—page one. Six of the seven priorities of the 20-year plan were re-ordered. Roads remained number one—the only priority to remain in the same spot. Regional Connections among the airport, railroad, port and highways moved up the list to the number two spot. This important priority was just one up from last place before the revisions. Freight Distribution followed as the logical third priority, moving up two places. Congestion Management moved up from the last priority to number four.

Transit System fell from priority two to priority five, next to last. In 2005, there were 4 million rides, equal to 14 rides each for Anchorage’s 275,000 residents, without calculating any rides for 30,000 commuters or a million visitors. In 2025, half a million people are expected to live in Anchorage and the Mat-Su. The plan calls for adding buses and doubling ridership by 2025.

Begich thinks we’ll have commuter rail by then, and says the plan lacked the vision to include it. “The Mat-Su population is growing at a rate that will make sense to do something,” he said. “It might be utilizing our current rail system into light rail; there is some sort of connectivity there—same thing with south Anchorage.”

Pedestrian and Bicycle tied for last place and were combined into a new priority, Non-Motorized Transportation, which will have its own plan. “We punted with sidewalks, and are working on a pedestrian plan; holding a series of workshops to identify priorities,” Spring said.

Plan decisions were based on “heeding the advice of professional engineers and
planners,” DOT&PF Central Region Director and AMATS Chair Gordon Keith wrote in a January 2006 Anchorage Daily News editorial. “The deletion of an expensive and controversial recreational path from the plan is a clear statement as to the proper priorities of essential improvements over nonessential improvements when competing for limited public funds.”

**Goals**

Just as the drafted priorities changed in the final plan, so did the seven goals and objectives. *Health & Safety* moved from next to last to become the number one goal for Anchorage over the next 20 years.

*Build, Operate & Maintain Quality Affordable Improvements* is the second purpose of the plan, moving up from fourth to second. These include new road connections, reconstruction, rehabilitation, pavement replacement, transportation enhancements, as well as safety, congestion mitigation and air quality projects.

This goal is already being realized, and as the mayor says, road construction in Anchorage is going to be pretty significant this year. In addition to state projects in Anchorage, the municipality’s anticipated construction on road, drainage and safety projects included $47 million continued from 2005, $75 million in construction starts for 2006, and more than $11 million in potential starts. “It is going to be busy,” Begich said. “If people think last year was busy, they haven’t seen anything yet.” He compared the current activity to the 1980s, when the state was flush with new oil wealth and built up the infrastructure.

*Economic Vitality* rounds out the top three; it was drafted as the last goal. According to the plan, the objective is to “optimize the transportation system to meet the needs of the Port of Anchorage, Ted Stevens Anchorage International Airport, the Alaska Railroad, and the military and business commu-
nities. “In other words, mesh intermodal transportation with community development.

*Optimize Community Connectivity* slid down from first to fourth position. Improve *Mobility & Access in Anchorage & Vicinity* follows as it did in the draft. These goals could be naturally realized outcomes if the top three goals and objectives are implemented with success.

*Transportation Choice* was sifted to number six. Spring says Anchorage needs to work harder at options to single car transportation for people, such as car pooling, transportation demand management, guaranteed rides home, telecommuting and the bus system.

“You can’t rely on any one strategy to work your way out of congestion,” he said. “If we don’t try different strategies, then we’re going to have a much worse time with congestion.”

*Preserve & Enhance the Natural & Developed Environment* went from five to seven. Plan goals and objectives were written with an eye to implementing the transportation element of *Anchorage 2020: Anchorage Bowl Comprehensive Plan*, which was adopted in 2001 as a guide for land use and transportation issues.

**Money**

Money for the plan is based on recent historical and projected federal, state and local funding levels. The $3 billion averages $150 million per year over 20 years, and is based on 2004 dollars. As the long-range plan is revised and be-
comes further evolved, it will cost more; there is already concern about paying for it.

“If we suffer funding setbacks, we’ll have trouble meeting travel needs,” Spring said. “We’ve already heard from the state that there is a substantial reduction in funding.”

The state has changed some of the ways it calculates what dollars go where. As Begich said, “The devil is in the details.”

Keith, who praised the plan for having broad community support and connecting the grid to ease congestion, recognized the crucial role funding plays.

“Until the projects are funded and built, the goals of the plan will merely be words on paper,” Keith wrote in his Anchorage Daily News editorial. “We cannot let this plan sit on a shelf and collect dust like so many others. Implementing it will require the strong commitment of the community, the Legislature, and state and federal agencies to fund, permit and build the recommended projects.”

**Bottom Line**

The mayor was surprised how quickly the assembly approved the revisions and adopted the Anchorage Long Range Transportation Plan. The draft, two years in the making, was issued last August. Changes were posted on a late-October Friday and approved the following Tuesday. If state and federal legislators direct funding as quickly as the local assembly passed the plan, Anchorage’s federally required long-range transportation plan could guide congestion relief and meet its goals—with revisions.
TRANSPORTATION Information

Project Management & Engineering’s Capital Improvement projects within the Municipality
http://munimaps.muni.org/ PMEProjects/

Municipality of Anchorage ongoing road construction updates
www.anchorageroads.org/

Alaska Department of Transportation & Public Facilities
www.dot.state.ak.us/

Alaska road and highway information and travel advisories
http://511.alaska.gov/

Federal Department of Transportation
www.dot.gov/

Federal Highway Administration
www.fhwa.dot.gov/

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A four-story, concrete-and-glass building will rise from the back of a vacant lot about this time next year when Alcan General starts expanding the Anchorage Museum of History and Art. The building will be as much a work of art as the contents within. The museum will finally have room to house the Smithsonian Institution’s Arctic Studies Center, providing for the long-term loan and display of a thousand 19th Century Alaska Native artifacts, plus a whole lot more.

This project has been in the works for 10 years and will be complete at the end of this decade. The $100 million project, designed by David Chipperfield Architects, of London and Berlin, is a cooperative effort by local and internationally acclaimed architects, designers, engineers and consultants: with the local companies from the Alaska construction industry joining their ranks.

Patricia Wolf, museum director, says there are a lot of significant things about the project: among them, having Chipperfield, bringing the Smithsonian Institution to Alaska, adding science to the museum and integrating the Imaginarium into the museum.
Not so humble beginnings

Three things acted as a catalyst for the expansion, according to Wolf. The museum ran out of room for its growing collections and activities, it entered into a partnership with the Smithsonian to host more collections and activities, and it received a large gift.

In 1999, Elmer Rasmuson celebrated his 90th birthday by giving away $90 million: $50 million to the museum, which he founded, and $40 million to the Rasmuson Foundation, which administers social and humanitarian projects throughout Alaska. Along with his gift, he recommended the museum add science to its mission.

When The Imaginarium, Anchorage’s Science Discovery Center, agreed to join the museum, Wolf said they hired an international firm to help develop an expansion program. Next the Museum Building Committee was organized and concluded that a 100,000-square-foot building was needed to carry out their plans. Then, more fundraising was done; Rasmuson’s gift would only cover about half of the cost. By 2003 the committee had hired Kumin Associates Inc. as the local Architect of Record.

Team building

“We are going to be the ones producing the working drawings and ultimately signing and stamping the finished set of documents,” Chip Banister, principal in charge of the project, said. “We were involved from the beginning, since before the design architect was chosen, and we are the local entity for the client.”

Jon Kumin helped the museum issue a national and international Request for Interest, which garnered 38 responses from design architects, Wolf said. Chipperfield was chosen from the five architects the committee invited to Anchorage in the summer of 2003, “Because he had great museum experience—he had done so many museums and public buildings around the world—and because he was

continued on page 40
It all started with an idea.

To the right is a photograph of the site model created by David Chipperfield Architects.

Concept sketch by David Chipperfield is shown below.

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willing to involve the community. He is a good listener, a good communicator and he involved the public in the process.”

The committee then put together the rest of the team: civil, mechanical and electrical engineers and landscape architects, selecting firms with national and international museum experience along with Alaska-experienced firms.

Architect Daphne Brown, project manager for Kumin, said they’re working with more than 18 sub-consultants, coordinating the team. “It’s like a dance and we’re doing the choreography for everyone—figuring out how to fit all the pieces together. It’s a very complicated project.”

**Containing costs**

A cost consultant was brought in once the design process started—the committee wanted to make sure they could afford what they were doing, Wolf said. They couldn’t, so the building was scaled down to 70,000 square feet. Though privately funded for the most part, a bond issue was passed in Anchorage last year for $1.25 million of the museum’s annual operating costs associated with the expansion. Wolf said with the voters’ endorsement of the project the conceptual design work commenced and was completed. Halfway through the design development phase, the committee issued an RFI for the general contractor. Alcan General, headed by Terry Fike, was selected last
October as the construction management general contractor to work with the team.

Fike says people in Alaska are going to be proud of the expanded museum. “It is a world-class facility, and that’s not something you can say about any other building here. It’s going to be the only one in Anchorage—in Alaska—that is world-class. It’s going to be like going to the Smithsonian—same quality, same requirements for displays.”

Brown says the latter are mostly environmental factors such as temperature and humidity, along with security. In fact, Brown says they’re using the Smithsonian as a baseline for the
Fike says people in Alaska are going to be proud of the expanded museum. “It is a world-class facility, and that’s not something you can say about any other building here. It’s going to be the only one in Anchorage—in Alaska—that is world-class. It’s going to be like going to the Smithsonian—same quality, same requirements for displays.”

Evolving design
Fike expects to use about 100 people from all trades when the building is under construction. Steve Jelinek, Alcan’s vice president, is working on the schedule, and Fike says they both attend weekly design meetings and monthly Museum Building Committee meetings.

The project has an escalation clause for prices and the “Katrina effect,” which has wreaked havoc on material and equipment prices and availability due to the destruction in New Orleans continued on page 44
and the entire coast of Mississippi, Fike said. For now they are reviewing the construction documents as the design evolves and comes more into focus.

Technically it’s a very simple building, according to Fike. “The hard part is interfacing all the systems. The walls disappear into the ceiling and floor, the recessed track lighting and sprinkler system can’t be seen. Everything is custom—the flooring, stairs, ceiling, exterior wall—an all new design. It’s all panelized, the mullions are all four foot on center, and if it’s 19 feet between floors, the glass is 19 feet tall, which is not customarily done because it’s so expensive. The fritting on the exterior glass façade minimizes light, so it seems as though you can see through the building, but you really can’t—exhibit requirements prohibit that much light.”

**Energy efficient**

The exterior envelope—walls and roof—have a design R value of 22 (walls) and 35-40 (roof). Brown says it’s more than being well insulated that makes it energy efficient; the landscaping, environmental controls, low-flow toilets, lighting and other factors all contribute to a reduction in energy use.

“Energy efficient

The exterior envelope—walls and roof—have a design R value of 22 (walls) and 35-40 (roof). Brown says it’s more than being well insulated that makes it energy efficient; the landscaping, environmental controls, low-flow toilets, lighting and other factors all contribute to a reduction in energy use.

“It’s all about a public facility with high energy efficiency incorporated into the world-class design,” Fike said. He described the elevator as the most technical; with 10 feet by 10 feet doors, designed for freight and passengers,
and, like the rest of the addition, the only one in Alaska.

“It’s been important to have Terry to keep us on budget,” Wolf said. “We’re real happy we brought the general contractor on board when we did, and happy to be working with Terry Fike. He’s been great to work with.”

Brown agreed. “Working with them and their sub-consultants is great during the preconstruction phase to work out details, to see what works, they might say, ‘why don’t you look at doing it this way,’ so they are a part of the design team and that, I think, is very beneficial for the whole project.”

**Exceptional project**

Brown identified three aspects that make this an exceptional facility: what’s in it, who designed it and the people working on it. “What is in it; Smithsonian objects are world-class and then some of the Alaska galleries of Alaska art are world-class, and you have people traveling here from around the world to see everything. Plus the selection of Chipperfield—Jon Kumin said he is an architect’s architect. He makes it look very simple and people say, ‘Oh that’s just a box,’ but everything is very thought out and very refined.”

“That’s what I think is going to

*continued on page 46*
Seattle-based landscape architect Charles Anderson designed the Museum’s outdoor spaces, which Wolf described as a big plaza, a green space, a gathering space, with ice skating, concerts and other activities on the front lawn that will entice people to come in and see what is going on.
Flowering trees are part of the museum expansion’s landscaping plans.
“amaze people,” Banister said. “To see the finished product, they’re going to go, ‘It’s such a simple concept, a simple-looking building.’ It’s essentially five rectangular shapes that kind of slide past each other—but getting to that point, getting to where it all makes sense with what it houses, how everything is interrelated, from the fritting detail, how the fritting covers the mullion, to just tracking it all the way through the smallest level, of where the hardware is placed. Everything all the way through the building has been well thought out and studied over and over and over again.

“Having that level of design go into something is not something we often get to do, because we’re often pushed by schedules, building budgets and things like that—where we just don’t get to go to that level of detail. It’s been refined in such a way that it looks effortless, and that defines world-class—when it appears very simple and it’s not.”

“Also of note is the landscape architect they selected: Charles Anderson, out of Seattle,” Brown said. “Charles has also done work internationally and brings another dimension to the design.”

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**Project Consultants**

**Architects**
- David Chipperfield Architects:
  - Pedro Castelo, Isabelle Heide,
  - Victoria Jessen-Pike,
  - Christian Junge, Peter Kleine,
  - Mattias Kunz,
  - Marina Mitchell-Heggs,
  - Andrew Philips,
  - Billy Prendergast, Julian Sattler,
  - Dominik Schwarz

**Architect of Record:**
- Kumin Associates Incorporated:
  - Chip Banister, Daphne Brown,
  - Jon Kumin, Dana Nunn,
  - Ross Timm, Erica White,
  - Petra Wilm, Marina Komkov

**Structural Engineers:**
- Magnusson Klemencic Associates:
  - Greg Briggs, Jay Taylor

**Structural Engineers of Record:**
- BBFM Engineers Incorporated:
  - Dennis Berry, Colin Maynard

**Services Engineers:**
- AEI Affiliated Engineers:
  - Dean Eriksen,
  - Geoffrey McMahon

**Services Engineers of Record:**
- RSA Engineering Incorporated:
  - David Oliver, Warren Williams,
  - Roger Weese, Channing Lillo

**Quantity Surveyor:**
- Davis Langdon:
  - Martin Gordon, Jenny Young
**Bottom line**

This project isn’t just great for Anchorage; it’s great for the people making it happen. Brown finds it unique for her and her career, “Because we’re not in New York, San Francisco, Seattle or Portland—to be involved and to see this design process and be a part of this design process, which is quite different and very exciting.”

“I echo Daphne’s comments as far as it being an exciting project,” Banister said. “Having the chance to see how design is done at the highest level is a unique opportunity. Something that’s even more unique—here we are, we’re over halfway through the design and we’re on budget, we’re on schedule and the client is extremely happy.”

“This is for Jon Kumin,” Brown said. “He’s no longer with us, but his philosophy and the technical expertise that resides in this firm continues on.”

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Visit these Web sites for more info:
www.anchoragemuseum.org
www.davidchipperfield.co.uk
www.charlesanderson.com

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**Façade Consultant:**
W.J. Higgins and Associates
Incorporated:
Wes Higgins, Michael Cleere

**Lighting Consultants:**
George Sexton Associates:
Joe Geitner, Brian McIntyre,
George Sexton

**Exhibition Design:**
Ralph Appelbaum Associates:
(Arctic Studies Center)
Ralph Appelbaum, Anne Bernard,
John Boyer, Miranda Smith,
Tim Ventimiglia,
Jennifer Withburn

**Graphics:**
Ralph Appelbaum Associates:
Tim Ventimiglia,
Caroline Brockwell

**Landscape Architects:**
Charles Anderson Landscape
Architecture:
Charles Anderson, Michelle Arab,
Karen Janosky

**Landscape Architect Local Consultant:**
Earthscape:
Elise Huggins

**General Contractor:**
Alcan General Incorporated:
Terry Fike, Steve Jelinek

**Client Advisor:**
RISE Alaska:
Sarah Barton, Don Simmons

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Diana Morlan is a business development officer at First National Bank Alaska. She can be reached at 777-4688.

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“I’m proud to be here to sign this transportation bill,” President George W. Bush said in Illinois last August, “because our economy depends on us having the most efficient, reliable transportation system in the world. We’ve got to bring this transportation system into the 21st century.”

The bill President Bush was referring to is known as SAFETEA-LU, an acronym meaning the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.

The legislation itself is more than 900 pages long and probably no more than a handful of people in the country have read it all. However, this is the act that will generate most of Alaska’s surface transportation funding for the next several years, money for road construction, road repairs and for the Alaska Marine Highway System. To that end, AGC members who will bid for the contracts involved will likely have some interest in understanding what it means. There’s a lot to this bill.

Perhaps the easiest way to understand what SAFETEA-LU is all about is to read the 20-page summary posted online at http://www.fhwa.dot.gov/safetealu/summary.htm. You can also access the entire bill from this same Web page—if you’ve got several days time on your hands to read it. For those of you who don’t use computers, or at least would rather not, we’ve presented for review some of the “Summary Information” from the U.S. Department of Transportation, Federal Highway Administration Web site referenced above, and tried to interpret some of the government-speak that makes up any document coming from Washington.
**Overview**

SAFETEA-LU represents the largest surface transportation investment in U.S. history, some $244.1 billion over the next several years. Alaska’s share of this money should be somewhere on the far side of $600 million in the next three years. Some of the key provisions in SAFETEA-LU include:

- **Safety**—SAFETEA-LU establishes a new core Highway Safety Improvement Program that is structured and funded to make significant progress in reducing highway fatalities. It creates a positive agenda for increased safety on our highways by almost doubling the funds for infrastructure safety and requiring strategic highway safety planning, focusing on results.

- **Equity**—The new Equity Bonus Program has three features—one tied to Highway Trust Fund contributions and two that are independent. First, building on TEA-21’s [an earlier transportation funding package] Minimum Guarantee concept, the Equity Bonus program ensures that each state’s return on its share of contributions to the Highway Trust Fund (in the form of gas and other highway taxes) is at least 90.5 percent in 2005 building toward a minimum 92 percent relative rate of return by 2008.

- **Innovative Finance**—SAFETEA-LU makes it easier and more attractive for the private sector to participate in highway infrastructure projects, bringing new ideas and resources to the table.

- **Congestion Relief**—Tackling one of the most difficult transportation issues facing us today—congestion—SAFETEA-LU gives states more flexibility to use road pricing to manage congestion, and promotes real-time traffic management in all states to help improve transportation security and provide better information to travelers and emergency responders.

- **Mobility & Productivity**—SAFETEA-LU provides a substantial invest-

*This is the act that will generate most of Alaska’s surface transportation funding for the next several years, money for road construction, road repairs and for the Alaska Marine Highway System.*
ment in core Federal-aid programs, as well as programs to improve interregional and international transportation, address regional needs, and fund critical high-cost transportation infrastructure projects of national and regional significance.

- **Efficiency**—The Highways for LIFE pilot program in SAFETEA-LU will advance longer-lasting highways using innovative technologies and practices to speed up the construction of efficient and safe highways and bridges.

- **Environmental Stewardship**—SAFETEA-LU retains and increases funding for environmental programs of TEA-21, and adds new programs focused on the environment, including a pilot program for non-motorized transportation and Safe Routes to School. SAFETEA-LU also includes significant new environmental requirements for the Statewide and Metropolitan Planning process.

- **Environmental Streamlining**—SAFETEA-LU incorporates changes aimed at improving and streamlining the environmental process for transportation projects. These changes, however, come with some additional steps and requirements on transportation agencies. The provisions include a new environmental review process for highways, transit and multimodal projects, with increased authority for transportation agencies, but also increased responsibilities (e.g., a new category of “participating agencies” and notice and comment related to defining project purpose and need and determining the alternatives).

Now you can begin to see why this bill is more than 1,000 pages long. It’s not just simply a means of doling out funds, it also aims to fix a lot of other problems. Thus we learn early on that there will be “strings” attached to some of this money.

### Tolling

SAFETEA-LU provides states with increased flexibility to establish tolls on roads and bridges both as a means of managing congestion and financing infrastructure improvements. Four basic tolling programs are included in the legislation:

- Under the new [Interstate System Construction Toll Pilot Program](#), the Secretary may permit a state or compact of states to collect tolls on an Interstate highway, bridge or tunnel for the purpose of constructing Interstate highways.

- The [Interstate System Reconstruction and Rehabilitation Toll Pilot Program](#) was established in TEA-21 to allow up to three Interstate tolling projects for the purpose of reconstructing or rehabilitating Interstate highway corridors that could not be adequately maintained or improved without the collection of tolls.

- The [Value Pricing Pilot Program](#) is continued, funded at $59 million through 2009, to support the costs of implementing up to 15 variable-pricing pilot programs nationwide to manage congestion and benefit air quality, energy use and efficiency.

- The new [Express Lanes Demonstration Program](#) will allow a total of 15 demonstration projects through 2009 to permit tolling to manage high levels of congestion, reduce emissions in a non-attainment or maintenance area, or finance added Interstate lanes for the purpose of reducing congestion. Automatic toll collection is required.

Alaskans already have a taste of this from earlier transportation legislation with the Whittier Tunnel being the prime example. Expect, too, that the Knik Arm crossing, when operable, will be a toll bridge; most likely Ketchikan’s Gravina Island bridge as well. It is going to cost us more to drive on Alaska’s roads in future years.

### Innovative Financing

SAFETEA-LU makes new provisions available for paying for projects.
Though some of us—like your editor—get a little nervous when the government starts talking in terms of “innovative financing,” the three options listed in the legislation appear viable:

- **Private Activity Bonds**—SAFETEA-LU expands bonding authority for private activity bonds by adding highway facilities and surface freight transfer facilities to a list of other activities eligible for exempt facility bonds.

- **Transportation Infrastructure Finance and Innovation Act**—TIFIA provides federal credit assistance to nationally or regionally significant surface transportation projects, including highway, transit and rail. This program was established in TEA-21 to fill market gaps and leverage substantial private co-investment by providing projects with supplemental or subordinate debt. SAFETEA-LU authorizes a total of $610 million through 2009 to pay the subsidy cost (similar to a commercial bank’s loan reserve requirement) of supporting federal credit under TIFIA. To encourage broader use of TIFIA financing, the threshold required for total project cost is lowered to $50 million ($15 million for ITS projects).

- **State Infrastructure Banks**—SAFETEA-LU establishes a new SIB program which allows all states, Puerto Rico, the District of Columbia, American Samoa, Guam, the Virgin Islands and the Commonwealth of the Northern Mariana Islands to enter into cooperative agreements with the Secretary to establish infrastructure revolving funds eligible to be capitalized with federal transportation funds authorized for fiscal years 2005-2009. This program gives states the capacity to increase the efficiency of their transportation investment and significantly leverage federal resources by attracting non-federal public and private investment.

**Highway Trust Fund**

The Highway Trust fund is the funding source for most of the programs outlined in SAFETEA-LU. The HTF is composed of the Highway Account, which funds highways and intermodal programs, and the Mass Transit Account. Federal motor fuel taxes are the major source of income for this fund. The act extends the imposition of the highway user taxes, generally at the rates that were in place when the legislation was enacted, through Sept. 30, 2011.

**Safety**

More so than previous federal transportation packages, SAFETEA-LU stresses safety, both for drivers and pedestrians.

The Highway Safety Improvement Program is established as a core program, separately funded, with flexibility to allow states to target funds to critical safety needs. Funds totaling $5.1 billion are included for the years 2006 to 2009. Of that money, $880 million is set aside for the Railway-Highway Crossing Program. The remainder is to be distributed by formula based on each state’s lane miles, vehicle miles and number of fatalities. States are required to develop and implement a strategic highway safety plan.

**State Strategic Highway Safety Plans** will be used in the HSIP program to identify and analyze highway safety problems and opportunities. These must be based on accurate and timely data and consultation with safety stakeholders. States that do not develop a strategic plan by Oct. 1, 2007, will be locked in at their FY 2007 HSIP apportionment level pending development of a plan.

**Safe Routes to School** is a new program designed to enable and encourage primary and secondary school children to walk and bicycle to school. Beyond safety, this program is also concerned with improving the health of children and supporting other objectives such as reducing traffic, lowering fuel consumption and decreasing air pollution in the vicinity of schools.

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Congestion Relief
SAFETEA-LU cites congestion as one of the biggest transportation challenges facing Americans today. While some Alaskans may complain about traffic tie-ups in or near the Glenn Highway in Anchorage during rush hour, even at its worst this cannot compare to problems faced by cities such as Seattle or Washington, D.C. Provisions aimed at reducing this congestion are a fundamental part of the act, and the following programs are designed to manage traffic and reduce congestion:

- Real-Time System Management Information Program: Under this new program, the Secretary will establish a real-time system management information program to provide, in all states, the capability to monitor, in real-time, the traffic and travel conditions of the major highways of the United States and to share that information to improve the security of the transportation system, address congestion problems, support improved response to weather events and surface transportation incidents, and facilitate national and regional highway traveler information.

- Road Pricing: SAFETEA-LU gives states more options for using road pricing to manage congestion. The Value Pricing Pilot program is continued, and a new Express Lanes Demonstration Program is authorized. Other tolling programs are primarily for the purpose of financing highway construction and reconstruction, but will help with congestion reduction as well. These include the new Interstate System Construction Toll Pilot and the continued Interstate System Reconstruction and Rehabilitation Toll Pilot.
High Occupancy Vehicle (HOV) Lanes: SAFETEA-LU enhances and clarifies provisions governing the use and operation of HOV lanes. States are required to establish occupancy requirements for HOV lanes, with mandatory exemption for motorcycles and bicycles unless it creates a safety hazard, and optional exemptions for public transportation vehicles, low-emission and energy-efficient vehicles, and High Occupancy Toll vehicles (otherwise ineligible vehicles willing to pay a toll to use the facility).

We’ve only touched the tip of a very large iceberg with the information presented here. For example, earmarks, which comprise much of the SAFETEA-LU legislation, are described elsewhere in this issue of The Alaska Contractor (see Deciphering the STIP on page 28). As well, many of the allocations in this legislation are based on formulas involving such things as lane miles, number of fatalities and so forth. Certainly Alaska cannot compare with other states in terms of lane miles, although fatalities (unfortunately) on a per capita basis may boost our chances of increased funds in some situations.

Finally, in an interesting aside from Alaska’s perspective, it’s obvious that Congressman Don Young’s fingerprints are all over this legislation. Financially Alaska did very well under SAFETEA-LU, but the real kicker is in the name of the legislation. Young’s wife of many years is named Lu.

For more info about SAFETEA-LU, go to www.fhwa.dot.gov/safetealu. The Web site contains legislation, summary information, fact sheets, funding tables and cross-reference links.
Our best school year yet

NCCER Curriculum
This school year AGC of Alaska placed NCCER construction curriculum in 15 rural school districts, four urban school districts, two postsecondary and two correctional facilities. Our classroom count is 92.

I’ve taught six instructor-certification classes this school year. That’s double what I usually teach. I’ve certified nearly 40 instructors to teach NCCER curriculum this year alone!

As of February 8, 2006 AGC has:

• 129 certified instructors
• 484 students on the NCCER National Registry
• 234 students who have earned NCCER certificates

NCCER Skill Assessments
On the assessment side of the house we’re conducting craft assessments for our customer, ANTHC. We’re using a new carpentry assessment from the National Construction Career Tests called Academic Carpentry Level 1.

• We’ve proctored over 90 pipeline assessments for which we charge a fee.
• To date we’ve proctored over 350 assessments; both craft and pipeline since fall of 2003.

Award
AGC of Alaska was named “Business Partner of the Year” by the Mat-Su Borough School District on January 4. The award was presented during a school board meeting and we received a standing ovation. We’re honored and pleased to be selected. We look forward to working with the Mat-Su Borough School District as we prepare for the opening of the academy this fall.
This winter the U.S. Department of Labor started publishing a new electronic magazine for young people called InDemand. The first issue is about construction. It's wonderful. We worked with AGC of America and McGraw Hill to order full-color copies. If you'd like to see it, go to www.careervoyages.gov and click on the InDemand magazine link on the left. Then click on the construction magazine cover you'll see in the middle of the screen. Or, contact me for a hard copy.

The second issue is about energy and includes some construction information, too! These are very good publications.

AGC Career Academy

We're putting together the Steering Committee and hope to have the group up and running this spring.

Our Contractor Math Curriculum team is identified and ready to work with math teachers on converting curriculum to construction. The volunteer members are:

- Chris Reilly, Universal Roofing of Alaska
- Rob Dun, ASCG Inc.
- Ben Northey, Colaska Inc.
- Knick Knickerbocker, Unit Company

We'll be inviting career academy experts from the Lower 48 to come and meet with us, the math team and other school districts who may be interested in the academy model. We'll invite the president of the AGC East Tennessee chapter, Roger Tudor; the Industry Team Leader from the same chapter, Ron Tanner (a contractor and member of that chapter); and the AGC of America curriculum guru, John Heffner, director of Workforce Development.

These three people are part of the first AGC model academy in Chattanooga, Tenn., which opened in fall 2002 and is a success.

There will be lots more to come about our academy.

Construction Site Visit

On January 16, we took a group of high school students from Chugach School District through a construction site. They were in town to visit the school district’s “Anchorage House,” and are studying construction by choice. We toured the Providence Hospital garage and medical complex Davis Constructors & Engineers is building. Dave Sierks was our tour guide. He did an outstanding job showing the students the project, various crafts at work and interesting high-tech tools. The students thoroughly enjoyed the tour—and so did I.

We're having a very good year with lots of new interest in construction from many school districts.

Left to right: Dana Cruz, Glenn “Knick” Knickerbocker, Vicki Schnabel

Dave Sierks with his back to the window. Student names right to left: Trevor Taylor, Jared Chase, Dale Roberts, Missa Totemoff, Hannah Rand, Tonya Short, John Wayne Totemoff, Daniel Grande and Glen Spears.
and uses, especially for activities like construction
and mining, are among the most regulated activi-
ties known to bureaucrats. Making things that much
more confusing is the fact that within each regulatory pro-
cess there are various requirements and levels of severity.
The same regulatory agency may require a study, a report or
some other kind of paperwork for one type of permit, but
demand extensive and very costly mitigation measures for
another.

Those with extensive experience with permitting have
learned the importance of remaining proactive through the
entire process. Coeur Alaska, owners of the Kensington
Gold Mine near Juneau, worked for 17 years on their project,
listening to community representatives, meeting with envi-
rionmental organizations, negotiating with state and federal
regulators, and working with the Native American commu-
nity. Economic issues were stressed since local jobs were to
be created, up to 400 for construction and 200 during opera-
tion. The state stood to take in $5 million in new taxes.

The plan to deal with mine tailings, waste material left
over from the mine operation that contained no gold, was
to enlarge Lower Slate Lake to receive these tailings. The
company’s hard work and cooperation with the U.S. Army
Corps of Engineers paid off with the approval of the plan to
place the material in Lower Slate Lake.

The Corps had decided to classify the mine tailings as
“fill material” and to issue a Section 404 permit for fill opera-
tions and the construction of a dam to enlarge Lower Slate
Lake. The EPA role was to regulate discharges from the im-
pounded water into Slate Creek below the dam.

Local environmental activists, however, had not yet ex-
hausted their efforts. A consortium of activist groups, headed

When is far, too far?

By Russell Brooks
by the Southeast Alaska Conservation Council, wanted one more shot at stopping the mine; so they sued. They claim that the mine tailings are industrial waste, a pollutant under the Clean Water Act. If the court agrees with this definition, the Corps will then require a national pollutant discharge elimination system, or NPDES, permit for the project.

As most anyone involved in Clean Water Act permitting knows, the differences in cost and time between the 404 permit and a NPDES permit are massive. Clearly, the environmental activists are looking for the courts to make this project economically unviable.

There is a greater concern beyond whether these jobs will be created or the new taxes paid. If the environmentalists convince the court that material dug from the earth and placed on the ground creates a “discharge,” requiring an NPDES permit, what is to keep them from making similar claims when the excavation is for a building site or bridge footing?

Adding the cost of NPDES permitting to even a few disposal sites could make projects too expensive for private builders or consume public funds and reduce the amount of work put to contract. This is no small issue and PLF will do what it can to limit the growth of Clean Water Act permits.

Although not dealing with NPDES permits, PLF is battling the Corps of Engineers’ excessive demands for Clean Water Act permits. United States v. Rapanos is the United States Supreme Court case where PLF represents a Michigan landowner whose property is more than 20 miles from the nearest “navigable” waterway. According to an earlier Supreme Court decision, land must be “adjacent” to a navigable waterway for the Corps to have jurisdiction.

The Corps may think that 20 miles is “adjacent,” but we don’t. PLF attorneys argued this case before the High Court on February 21, and we are looking forward to announcing victory over expanding the Corps’ claims later this year.

The Clean Water Act, and other laws like the Endangered Species Act, were launched with the best of intention. However, powerful bureaucrats and tightly focused activists have turned these into opportunities to expand their grasp on society. Thanks to the thousands of individuals, companies and organizations that support our work with annual tax-deductible donations, Pacific Legal Foundation can be in court, countering their attacks.

Russell Brooks manages PLF’s Northwest Center in Bellevue, Wash., and can be reached by e-mail at rb@pacificlegal.org.

**Economic issues were stressed since local jobs were to be created, up to 400 for construction and 200 during operation. The state stood to take in $5 million in new taxes.**

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Photo essay by Danny Daniels
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Eagle River Area High School
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New Bean’s Cafe
Neeser Construction Inc.
clearly remember a grim 1955 Korean War movie called “The Bridges of Toko-Ri” starring William Holden as a Navy fighter pilot and Mickey Rooney as the wise-cracking helicopter jock who’s always saving Holden’s life. Flying Grumman Panthers, Holden and his squadron must bomb the highly defended bridges at Toko-Ri in North Korea. After seeing one of his friends die in a ball of flames as his Panther is hit by enemy fire, Holden asks the admiral aboard ship, “Why must we do this? Is it worth all these fine men’s lives? For a few bridges?”

The admiral explains that without the bridges the enemy cannot sustain the offensives that have been killing so many Americans. So, yes, a few lives lost at these bridges translates into many lives saved at the front. The bridges are most important.

Fast-forward to 2006. We debate building bridges in Alaska this time. My point is that just as the U.S. Navy was willing to spend precious lives and treasure to destroy bridges, we are now debating the worth of building new ones. Bridges are still most important! Fortunately this time, we are debating the cost and necessity of bridges instead of how many men must die to destroy one.

Enter the proposed Knik Arm bridge. Why build it?
- It would expand and make commerce easier, by taking a full hour off the Anchorage-Fairbanks run for trucks moving all manner of goods. That translates into a powerful cost-cutting measure. It would mean that the things you buy and eat would cost less because of cheaper transport. The same benefit would be achieved with a side span bridge for railroad traffic.
- The bridge would relieve pressure in the Anchorage home market that presently has only one direction to build—up. Across this potential bridge lay thousands of acres of land for homes, businesses and farms.
- It would make moving the state capital to Point McKenzie or Willow a much more practical endeavor.
- The project would make the commute into or out of Anchorage to the Valley far easier and more convenient.
- This exciting project would revolutionize Southcentral Alaska’s economy by bringing new jobs and people into the Anchorage and Mat-Su areas.
- It would provide an additional access to and from Anchorage if the other points of entry were blocked (i.e. terrorism or natural disasters).
Is the bridge worth it? Absolutely.
The naysayers claim that the mud flats are too unstable and that the cost would be too much to overcome. But established engineering firms that have done preliminary studies, such as PND Engineers Inc., inform us that beneath the mud and water is bedrock. Moreover, bridges have been built in France, China and Japan that span huge distances over saltwater subject to storms and tides. The technical problems have long been solved so that structurally sound and safe bridges have been and are being built today.

What of the cost? Like any major construction project, it would be expensive, but there are ways to defray this cost. First, those very tides that play at the bottom of the bridge could be used to move large impellers, which would create electricity. Sale of that power would offset the bridge cost and maintenance. Second, like other great spans that link large cities across saltwater (the Golden Gate, for example), the Knik Arm bridge could be set up with a one-way toll. Between electrical generation and tolls, the bridge would eventually pay for itself and then pay for its maintenance.

Finally, I present the best reason to build a Knik Arm bridge: It would save lives. In the 1970s and 1980s, the old bridges across the Knik and Matanuska Rivers on the Glenn Highway between Anchorage and the Valley were notorious for killing people who lost control of their cars in the ice and fog of winter, akin to William Holden and his fellow pilots in “The Bridges of Toko-Ri”—death by poor design instead of enemy fire.

That ceased when the bridges were rebuilt in the early 1990s. Now they are wider and well lit. I am unaware of a single death on these bridges since then.

Is the proposed Knik Arm bridge worth building? Definitely. Let’s do it. Here is where a “limited government” ought to do what is right.

Vic Kohring is a six-term House member and represents the Mat-Su area in the Alaska State Legislature. He is a member of the House Transportation and Public Facilities Committee and he chairs the House Oil and Gas Committee.
Depending on the outcome of planning, environmental review and funding, the Alaska Railroad Corp. could be directing some significant construction projects in the Interior in the next few years.

The state-owned rail line currently has three Interior Alaska projects on its “to-do” capital investment list, with a potential spending tally in the hundreds of millions of dollars.

**Extending Track to Fort Greely**

Of those three Interior Alaska projects, the most significant potential impact to construction and future rail operations would come from a proposed 80-mile extension of the Alaska Railroad’s 600-plus mile rail network that stretches through the central part of the state.

Work started more than a year ago to prepare an environmental impact statement for
the rail extension, which would begin at the current end of the track at Eielson Air Force Base and run southeast to Fort Greely, located just a few miles south of Delta Junction.

At present, the formal scoping portion of the environmental impact statement has been completed and work is being completed to publish a draft EIS, hopefully in early 2007, said Brett Flint, manager of facility construction at the Alaska Railroad. A final EIS will likely be published in the summer or fall of that same year, he said.

Should the study show favorable results and if funding sources can be identified, construction could begin in late 2008. “We could have trains running in early 2011,” Flint said.

Part of the EIS and route consideration will include a 15-mile spur line west from the proposed rail extension to the Blair Lakes Military Training Area, a remote parcel located almost due south of Fairbanks in the Tanana Flats.

Rail access to that training area, as well as rail proximity to Donnelly training grounds in the Delta Junction area, could benefit the nation’s armed forces who spend time honing their skills using the 1 million plus acres of military training grounds in the Interior of Alaska.

“The military is the deep pocket on this project,” Flint said.

Funding for preparation and completion of EIS is estimated to be about $12.5 million, he said. The U.S. Department of Defense, which would be a likely customer and heavy user of the new rail section, provided funding for completing the EIS.

Preliminary estimates for construction of the 80-mile extension range from $400 million to $700 million, Flint said, although at this stage, the project “…doesn’t have a good capital estimate yet.”

Two years ago, state legislators voted to authorize the state-owned railroad the ability to issue up to $500 million in bonds for construction of a track extension to Fort Greely. “We’re fairly optimistic that we can build a railroad to meet the need for $500 million,” Flint said. “But remember that costs very rarely go down.”

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A number of grade-level railroad/highway crossings would be upgraded to overpasses if Alaska Railroad plans bear fruit.

Other potential funding sources could come from the defense department, through the military’s use of the new line, and from the Federal Transit Administration, which would contribute some money for line maintenance expenses if a commuter rail service is included in the extension project.

Additionally, providing freight and commuter passenger service to Fort Greely, now the home of the new missile defense system, is another factor in calculating the economic impacts of the rail extension.

According to a railroad presentation, two of the project payoffs for the 80-mile extension include eliminating appropriations needed to build up Fort Greely for family support, should a commuter rail network be constructed. Additionally, the project would connect all major military installations in Alaska to three of the state’s ports—Anchorage, Whittier and Seward—providing port-to-rail-to-range transportation ability.

The ease of military freight transportation in Alaska becomes even more important, given the establishment of the 172nd Stryker Brigade Combat Team stationed at Fort Wainwright.

The quick-response team operates with more than three hundred Stryker units, rubber-tired armored vehicles that weigh about 19 tons each. That’s according to an Alaska Railroad fact sheet announcing the corporation’s plans to acquire almost $16 million worth of additional locomotives and railcars to support moving the Stryker Brigade. Funding for the purchase is through the Department of Defense, according to the railroad.

Providing the military transportation on rail cars would greatly ease movement to and from the training area, as well as keeping that traffic off the heavily-used Richardson Highway, which runs southeast from Fairbanks, connecting to the Alaska Highway at Delta Junction.

Finally, developing a rail line with commuter passenger service from Fairbanks to Delta Junction and Fort Greely would offer Alaska’s military personnel assigned to the rapidly expanding missile defense site more choices for residential location.

“If we had reliable commuter service, they could be housed in Fairbanks or some other base and move back and forth by rail,” Flint said. “These are the kinds of services to have the railroad provide as part of the extension which are
crucial to moving the project forward at this point in time."

Building a rail line capable of moving a self-propelled passenger train car up to 79 miles per hour requires track design with grades and curves of less than one degree.

"It may cost more to build, but it will be less expensive to maintain it, and less expensive to maintain equipment that operates on it," Flint said. "Curves and grades increase the wear factor—it’s a trade-off."

That could provide a commute time ranging from an hour to 90 minutes, one-way, between Fairbanks and Fort Greely, he said. Operating at 79 miles per hour is a “design goal. That does not mean we absolutely will be able to meet that goal, but wherever possible, we want to do so,” Flint said. "Running down the Tanana River ... there are a couple of spots where it may be difficult, but for the most part, it may not be unthinkable to meet that goal."

Improving Track in Urban Areas

A separate, but related, construction project the Alaska Railroad is considering involves a rail track realignment between Fort Wainwright and North Pole, a 19-mile stretch of Alaska Railroad track that passes through urban areas and contains 45 at-grade crossings of roadways through the corridor.

"It has independent utility, so if we built that project, it would provide benefit to the railroad and the community," Flint said. "It is independent if we built the [80 mile to Greely] extension, but the realignment makes the extension more efficient."

At present, the railroad is preparing an environmental assessment of the 19-mile realignment. A draft document of that review should be ready for agency review early this summer, according to Clark Hoepp, the realignment project manager for the railroad. The final document could be released in the fall of 2006.

Costs to build the realigned track through the Fairbanks-North Pole area have been estimated at $80 million to $90 million, Hoepp said. At present, the railroad does not have the funding to construct the project, but is

continued on page 73
actively seeking funding for the project,” he said.

Construction cost estimates include crossings of the Chena River within Fort Wainwright, a second track at the depot in Fairbanks, route improvements in Fairbanks and on post, construction of a new track on or adjacent to the Tanana River flood control levee, possible reconstruction of a trail adjacent to the levee and public access points across the track and levee.

The environmental assessment process and preliminary engineering is estimated to cost $1 million, with Federal Railroad Administration funding covering the EA process, according to the railroad.

The construction project is designed to eliminate 20 to 30 at-grade road-rail crossings, which will enhance safety of the railroad, Hoepp said. With fewer road-rail crossings, whistle noise will be reduced, he said. And the new rails are much quieter than traditional steel rail, according to Hoepp, also reducing noise impacts.

In addition, the proposed project would eliminate several sections of track, primarily on Fort Wainwright, that have sharp curves, which cause current trains to move slowly through post and increase maintenance costs for that section, Hoepp said.

Finally, a faster route between Fairbanks and North Pole would allow the railroad to offer mass transit/passenger service between the two communities. “We think there is a need there,” he said.

Rerouting Track at Nenana

The third capital improvement project the Alaska Railroad is considering for its Interior network is a rail realignment or rerouting through Nenana. The original line was built in 1920, parallel to the Tanana River along the community’s waterfront. Large curved sections run through the downtown area, creating issues for the town’s growth, public safety and the railroad’s operational efficiency.

To address those concerns, the railroad proposes constructing a short section of track on the east side of Nenana, effectively bypassing the curving run through the downtown area. The existing track structure through Nenana would be maintained to support port activities, project manager Greg Lotakis said.

“It’s good for freight and coal movement, and for safety,” Lotakis said. “There are some pretty nasty curves and at-grade crossings.”

The realignment will shave off seven minutes to eight minutes of travel time, he said. By-passing the numerous road crossings will also eliminate the need for trains to blow their whistles while going through town.

Straightier track alignment would significantly reduce derailment risk, helping to reduce maintenance costs.

At present, the project is currently in the design phase, as an environmental assessment has been completed for the project. Lotakis expects to continue right-of-way acquisition this spring, although the project, like the Fairbanks realignment, currently has no funding source.

Estimated cost for construction of the Nenana rail realignment is about $23 million, he said. “That’s a lot of money for the railroad to be spending,” Lotakis said. “At this point, construction is probably four or five years away.”

Patricia Liles is a longtime journalist who covers Alaska business and industry issues. She works outside of Fairbanks.
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**Knik Arm crossing will benefit entire state**

*By Senator Charlie Huggins, R-Rural Mat-Su*

The Alaska Legislature is about to decide the future course of the state’s two fastest-growing communities, Anchorage and the Mat-Su Valley. Lawmakers will decide on partially funding the proposed Knik Arm crossing, a bridge that will do far more than just physically connect the two communities. It will benefit the entire state.

The decision fell in the Legislature’s lap due to intense media coverage triggered by a nationwide uproar over Alaska’s bridge earmarks in the federal transportation bill. Congress bowed to public pressure last year, removed the earmarks, and handed the decision over to the administration and lawmakers.

Last month, Gov. Frank Murkowski proposed spending $93 million dollars on the Knik Arm crossing, $136 million dollars less than what Congress allocated.

Federal transportation funding and the Statewide Transportation Improvement Plan, or STIP, Alaska’s list of transportation projects eligible for federal funding, can be confusing and complicated for the layman to understand.

It is becoming clear to me that some of the bridge opponents are taking advantage of that fact to spread misinformation about how it will affect other transportation projects.

Environmental and anti-development groups are coming together in the Capitol building because they see a...
golden opportunity to sink the bridge before any dirt is moved.

Many communities are legitimate worried because they don’t want the Knik Arm crossing eating up a piece of the federal funding pie when they have needs in their communities. Congress, however, only yanked earmarks for the Knik and Gravina Island bridges.

There are still 120 earmarks, worth $585 million, that have already delayed other road and trail projects, even if the Legislature doesn’t appropriate a cent to the Knik Arm crossing.

The Murkowski administration’s plan for allocating the federal money actually frees up additional federal dollars because it diverts 52 percent of the original federal earmark away from the bridges to other transportation projects on the STIP.

Anti-development groups say the $93 million appropriation in the Murkowski administration budget for the Knik Arm crossing is not nearly enough to pay for the $600 million dollar project, and they are absolutely right.

What they’re leaving out is the fact that the administration’s proposal and the original federal earmark were never intended to pay for the entire project. The Knik Arm Bridge and Toll Authority’s development plan splits construction costs between the federal government, the state and drivers who will pay a toll for using the bridge.

The point I am trying to make is that our state’s inability to make federal transportation funding pay for the infrastructure we need is really just a symptom of a very serious problem.

Unlike other states, Alaska counts on federal funding to pay for almost all its major transportation needs. In fact, the highway trust fund, upon which we count for federal-aid highway dollars, is in trouble.

As the price of fuel increases, usage decreases. You can do the math. Federal-aid funding will decrease overall. In the Lower 48, state governments, cities and counties all work together to help pay for many of the road and trail improvements out of their own pockets, and the payoff is better transportation corridors that get the traffic moving and invigorate the economy.

Alaska is never going to get its hands on enough federal dollars to pay for all its transportation needs. As a state we need to come to agreement on how we are going to meet a larger portion of our needs with local and state funding.

The Knik Arm crossing is anything but a “bridge to nowhere.” The benefits just can’t be overstated. Tying the two regions together will open up thousands of acres of raw land to new industry, homes, schools and tremendous recreational opportunities that will help the entire state.

I am urging all Alaskans, regardless of where they live, to contact their legislators and express their support for the Knik Arm crossing.
Dan Olson fills the doorway when he comes out of his office to greet you. This is a big man—6-feet tall, broad shouldered and his hands are massive. The shoulders and the hands suggest someone who has spent a large number of years slinging concrete.

At 60, he’s still pouring and shaping concrete, now working for his son Jesse at Alaska Professional Construction Inc. “They call me the chief estimator … project manager, Olson said. “At one time they even mentioned office manager.”

A brief glance at Olson is enough to convince you he’d probably be a lousy office manager. His is a world of projects, concrete and the equipment to manipulate it.

“Basically we do footing foundations and flat slab work,” he said. “The boys got state-of-the-art equipment for placing concrete slabs.”

A partial list of the jobs he’s completed reads like an Alaskan geography lesson. “I bounce all over the place,” he said. Included are jobs at the Greens Creek Mine on Admiralty Island, which was one of his favorites; a sewage treatment plant in Anchorage; the jail in Nome; and the ore terminal in Skagway, which has since been demolished.

“I first worked here in the 1970s,” Olson said. He then went back Outside for a few years. “I brought the family up here in 1984.”

He and his wife Allouiz have raised 13 children, nine of whom still live and work in Alaska. Like Dan, a total of four of the kids and one daughter-in-law are involved with Alaska Professional Construction Inc. Ask Dan about his kids and he gets quiet for a moment and says, “I’m a very wealthy guy.”

Throughout his office—and the entire APC building—is evidence of Olson’s other passions—fishing, hunting and trapping. Visitors are greeted by a mounted lynx in the lobby, which sits on a table beneath a wolf hide. In his own office there’s a beautiful rainbow trout mounted on the wall over his desk and a head mount of a Sitka black-tailed deer on the wall near the window. The pelts of three fur-bearers hang from the wall behind him as he sits at his desk.

The trout is from the Kenai River, the deer came from Kodiak Island, two of his favorite places. “I’ve always enjoyed the Kenai River, and we go down there a lot,” Olson said. On Kodiak, his favorite place is more site specific—Zacher Bay. He’s been there two or three times to hunt.

Of all his accomplishments and his life to date, Olson says, “I always try to project a positive thing, no matter what it is.” According to him, one of his daughters told his wife that, “Dad doesn’t think there are any problems in life.”

This long-time builder was born and raised on Michigan’s Upper Peninsula and learned his trade on jobs in New England. He says there’s only one thing he would do over. “I would probably have come to Alaska sooner. I just enjoy the area so much.”
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