



Denali Commission
510 L Street, Suite 410
Anchorage, AK 99501

907.271.1414 tel
907.271.1415 fax
888.480.4321 toll free
www.denali.gov

**Denali Commission (Commission) Transportation Advisory Committee (TAC)
Meeting Minutes of January 18-20, 2011
Denali Commission Offices – East Conference Room**

Members Present:

Joel Neimeyer, Denali Commission
Ray Richards, Doyon Ltd.
Chuck Pool, Pool Engineering Inc.
Carvel Zimin Jr., Bristol Bay Borough (BBB)
Mike Hoffman, Association of Village Council Presidents (AVCP)
Randy Romenesko, Norton Sound Health Corporation (NSHC)
Steve Ivanoff, Kawarek Inc.
Chuck Quinlan, K'oyitl'ots'ina Ltd.

Others Present:

Adison Smith, Denali Commission
Mike McKinnon, Denali Commission
Tessa DeLong, Denali Commission
Melanie Peterson, United States Army Corps of Engineers (USACE)
Chase Nelson, DOWL-HKM
Andy Hughes, DOT&PF (SE Region)
Bob Palowski, Denali Commission and Alaska Legislature
Ted Wood, Western Federal Lands Highway Division (WFLHD)
Tom Lonergan, WFLHD
Dale Lewis, Federal Highway Administration (FHWA)
Pete Field, WFLHD

Cherilyn Holter, Hydaburg Community Association (HCA)
Brian Pederson, RP Kinney & Associates
John Huestis, Craig Community Association (CCA)
Clarence Daniel, AVCP
Sandra Garcia-Aline, FHWA
Howard Martin, Denali Commission Legal Counsel
Chris Riley, FHWA

DAY 1, January 18, 2011

Agenda Item 1: Introductions and Opening Comments

The meeting was called to order at 9:04 a.m. by Chair Neimeyer. TAC members and guests introduced themselves.

The meeting agenda for January 18, 2011, was reviewed. It was decided that public comments could be made earlier in the meeting, as well as at 4:30 p.m. as scheduled.

A motion to approve the January 18 agenda, as amended, was made by Mr. Ivanoff and seconded by Mr. Zimin. The motion passed unanimously.

Meeting minutes for September 10, 2010, and September 28-29, 2010, were reviewed.

A motion to approve the September 10, 2010, meeting minutes as presented was made by Mr. Zimin and seconded by Mr. Pool. The motion passed unanimously.

A motion to approve the September 28-29, 2010, meeting minutes as presented was made by Mr. Ivanoff and seconded by Mr. Zimin. The motion passed unanimously.

Agenda Item 5: Public Comments

There were no public comments at this time.

Agenda Item 2: Transportation Program Update

Statewide Map:

The TAC reviewed an interactive project map available on the Commission's database that depicts the transportation projects funded from 2006 through 2010. The TAC examined the map and discussed the need for staff to assist communities that lacked development experience or needed technical assistance with the application process. Staff stated they would continue to work with TAC members and others to identify remote communities that have viable projects, but no funding and limited capacity to engage the Project Nomination Process.

Distressed Community Application:

Ms. DeLong reviewed the analysis of projects and investments. Of the total projects, 44 percent have been in distressed communities, 53 percent in non-distressed communities, and 4 percent are statewide projects that are typically in rural distressed communities. Of the total investments, \$53 million are in distressed communities, \$63 million in non-distressed communities, and \$4.5 are statewide. The committee discussed the Commission's potential role in future road building projects, which could help offset economic distress within communities.

Mr. Neimeyer discussed the Denali Commission reauthorization process. The Commission's authority lapsed in 2008 however the Commission has continued to receive funding through annual federal appropriations. Chair Neimeyer indicated that authorizations are always trumped by appropriations. Chair Neimeyer indicated that in the next 90 days, public input on the Commission will be gathered from throughout the state by various means. The public meetings will include Commissioners, staff, and advisory body members.

Program Funding Status:

Ms. DeLong reviewed the process of calculating and receiving FY11 funds in relation to the amount of money available for 2011 project awards. Mr. McKinnon provided an update on the current funding status by reporting on obligated and unobligated funds. Ms. DeLong reviewed the FY11 budget, explaining that the numbers were based on prior year funds and anticipated FY11 appropriations. The total anticipated program budget is \$30 million, with \$5.5 million currently in the bank. The TAC and staff discussed the process for reviewing projects and making awards, as well as advising recipients not to spend the money until they actually received their awards.

Project Review:

Mr. McKinnon gave a PowerPoint presentation on the FY11 projects. Staff posed several questions that were later discussed including:

- Is it prudent or fiscally appropriate to fund repeat customers who are managing several multi-year awards or requesting additional funds for ongoing projects?
- Should a project development partner be used if projects are not moving efficiently under local sponsors?
- What can be done to help communities that may not score well or have nominations that are incomplete due to lack of technical assistance?

The TAC reviewed issues associated with the Congressional Continuing Resolution process for funding the Transportation Program, and went over the Expenditures and Projects Status report and some of the exception projects. The TAC then discussed scoring criteria, entities that qualify to submit projects for consideration, and a range of past project challenges. Staff explained continuing efforts to reach out to boroughs, regions and tribes to bring good projects forward. Ms. DeLong then reviewed the Expenditures and Project Status report in detail and explained the intended use of each entry.

Lessons Learned, including those related to design costs, project development and delivery, and funding caps on waterfront development projects were discussed. Staff will continue an effort to analyze projects and sponsors that demonstrate a pattern of high costs or extended project development timelines. Staff will also work to develop a strategy for assigning funds under the Continuing Resolution environment, as well as improving overall budget oversight.

The TAC discussed competitively bid projects in rural Alaska in relation to local hire and the overall cost of the projects. The TAC discussed the purpose of the staff Project Review report, which was to be used as a tool in the scoring process. Mr. Neimeyer talked about the potential to use the TAC in the future in the same manner as the former Infrastructure Subcommittee of the Commission, to review projects and work with staff to develop exceptions reports on projects that exceed their budget, timeline or missed their scope of work.

DOT OIG Report:

Ms. Garcia-Aline, FHWA Deputy District Engineer stated that the DOT OIG report was reviewed and formal responses had been provided by FHWA. There were no findings. The recommendations included improving the record of recusals in the meeting minutes, improving reporting of TAC use of the consensus-based project selection process and conflict of interest issues, and improving Commission oversight of projects. After the response is received and the report is issued FHWA believes the report will be closed out. Ms. DeLong explained that the DOT OIG report was a review of FTA and FHWA, who reviews and responds to the report. The Commission does not formally respond to the DOT OIG about the

items they recommended. Mr. Neimeyer further discussed the report, which he felt was fair and reasonable. The FHWA and Mr. McKinnon were thanked for their extensive work on the DOT-OIG report.

State of Alaska Match and Partnership with ADOT&PF:

Mr. Neimeyer reported that in October 2009, Governor Parnell included a line item of \$3 million match in his proposed capital budget, which was the first time there was a proposed appropriation to the Denali Commission that was not directed to a specific project. Mr. Neimeyer further indicated that after the State appropriation was provided the Commission discovered that the enabling statutes did not allow accepting state money or other funds, and that the Commission is working on statute language to allow such transfers in the reauthorization.

In a December 2010 Annual Work Plan work session, the Commissioners provided advice and guidance on how to assign the \$3 million to projects. The Commissioners wanted the \$3 million to go to construction ready projects and The Alaska Energy Authority identified \$1.6 million in projects that met that definition. The balance of \$1.4 million was assigned to the TAC to consider as potential match. At the end of the scoring process, Mr. Neimeyer suggested the TAC provide a motion and a list of projects, with dollar amounts, to provide to the Commissioners and the state for consideration.

Lunch from 12:03 p.m. to 1:15 p.m.

TAC Conflict of Interest Procedure Review:

Howard Martin, Regional Counsel for the FAA, who also serves as the Commission's legal counsel and Designated Agency Ethics Official (DAEO), said the TAC is not subject to the Office of Government Ethics (OGE) rules, but they are accountable to the political process and the general public, so even the appearance of improprieties or conflicts of interest must be avoided. TAC members Chuck Quinlan, Randy Romenesko, Mike Hoffman, Steve Ivanoff, Ray Richards, Chuck Pool and Carvel Zimin introduced themselves and gave a brief description of their work history.

Mr. Martin provided a slide presentation on ethics and conflict of interest procedures to the TAC members pursuant to new process the TAC will undertake annually.

According to the presentation from Mr. Martin the standards for special government employees (SGEs), people who serve on advisory committees or those hired for specialized expertise versus typical government employees were reviewed. Non-federal employees are not required to provide financial disclosure forms. Law sources for SGEs, criminal statutes, regulatory provisions, and guidelines for determining conflicts of interest were discussed. Covered relationships include the personal financial interest of the member, their spouse, employer, minor child, business partner or any organization for which the member serves as an, director, trustee, general partner, or stock owner, or companies that the member is negotiating for or have an employment arrangement with.

A TAC member can provide specialized expertise, but should refrain from the decision-making process and voting on any project for which they have the defined interests identified in the paragraph above. Mr. Neimeyer encouraged identifying anything that could be perceived as a conflict of interest on the record and letting the body decide. Various scenarios and whether they would be considered a conflict of interest, as well as when members should be recused, were discussed.

Mr. Martin also discussed the prohibition on representation, which prevents a TAC member from being able to represent a project a TAC member is working on in a capacity described above, and is also before the Commission, or using inside information to provide the organization or affiliation with an advantage. The TAC discussed to what extent they could discuss and/or advocate for projects from their region without it becoming a problem. Mr. Neimeyer felt it became a problem when the member began representing the community rather than the Commission. Gratuities, which should not be accepted, were discussed. After a member leaves the TAC, no representation before the Commission should be done on projects that were worked on during the member's tenure with the TAC.

The TAC discussed the history and process for proposing a set of ethic policies. After the policy is established it will be provided to FHWA for review and approval, as well as to the Governor. Why the policy was necessary, what led up to it, and what documentation should be developed was discussed. Ms. DeLong indicated that each year, Mr. Martin or someone else from his office will be invited to conduct an annual ethics training session to the TAC.

Staff provided a draft ethics policy, the Transportation Advisory Committee Roles and Responsibilities, and TAC members agreed to review and discuss the policy at future meetings.

Mr. Neimeyer indicated his desire that TAC members would date and sign the final Standard of Conduct Policy, as represented by the Transportation Advisory Committee Roles and Responsibilities document. Mr. Neimeyer will report to the Department of Justice that the TAC needs more time and would like to review the DOT OIG final audit before making a decision.

Transportation & Energy Program - Mooring Points:

Ms. DeLong reported on an earlier question from Mr. Romenesko regarding how to better align transportation projects, specifically mooring points and the USACE's ongoing projects, with some of the Commission's energy projects. Ms. DeLong shared that there will be limited opportunity in the next year and a half, because the FY11 energy budget was substantially reduced and the energy projects to be funded are very large. However, staff is compiling a list of potential future projects for FY 2012 and beyond that could be shared with the USACE. The TAC discussed funding amounts and sources for energy projects.

Summary of FY 2011 Process:

Ms. Smith reviewed the technical assistance activities conducted over the course of the nomination period. Workshops were held in Petersburg, Bethel, Fairbanks, and Kotzebue. The workshops included an overview of the program, Title 23 requirements, technical assistance in identifying eligible projects, and assistance in completing the nomination packets. Challenges for communities include the several timelines for different transportation program nominations (BIA, DOT&PF, Commission, State Legislature) and developing resolution templates for maintenance and community support documents.

The TAC discussed timelines for workshops and nominations, and whether staff should consider changing them for next year to coincide more closely with other transportation agency processes. Complexities in each program probably indicate staying with the current autumn schedule for the foreseeable future. TAC also discussed developing a faste for reporting to communities on the projects selected, their priority within the overall catalog of projects and funding levels. Staff recommendations include continuing and expanding the technical assistance workshops for the 2012 nomination process, reaching out to individual communities with known technical assistance challenges and creating a resolution template for maintenance and community support for communities use. TAC members will endeavor to keep staff informed of events occurring in their regions that would be useful for staff to attend for the purposes of technical assistance during the project nomination process.

Project Selection Criteria & Scoring Process Review:

Ms. DeLong reviewed the scoring process for the waterfront development and road projects and provided an overview of briefing material contained in the TAC binders. Staff indicated that binders are complete except for the Birch Creek submission, which came in late. The TAC discussed deadlines and the possibility of allowing for late submissions. Most TAC members felt the deadlines should be maintained, but early submittals for the next season were acceptable. Mr. Zimin felt the TAC should consider a late project if there was funding available. It was decided that the Birch Creek project would be scored and ranked, but would not be considered for funding until after the other projects.

The TAC discussed Meyers Chuck, a community that was not eligible for funding since it is a community association rather than a legal entity (2 class city or above) under state charter. A dock repair project had not been submitted by the owner, DOT&PF despite a clear need for the repairs. Staff had anticipated a package of deferred maintenance projects from A-DOT, however they were not submitted. The DOT&PF Harbors Engineer had family emergencies that precluded his submitting the projects.

Mr. Pool discussed communities in southeast Alaska that had waterfront projects that needed to be addressed, but they were not getting attention since they were not organized communities. The TAC discussed funding requirements and Mr. McKinnon pointed out that under Commission rules, the facility's owner had to apply for funding per Title 23 requirements. It was suggested that staff meet with the DOT&PF to further discuss the issue. The TAC discussed communities throughout Alaska that did not qualify, but had projects that needed funding, and how those projects could be addressed. Staff stated that they would report to the TAC on this issue at the next TAC meeting.

Public Comments:

Mr. Daniels discussed utilizing webinars as an outreach tool.

Motion to adjourn was made by Mr. Ivanoff and seconded by Mr. Romenesko. The motion passed unanimously.

The meeting adjourned at 4:31 p.m.

DAY 2, January 19, 2011 Box around day as in Day 1?

Agenda Item 1: Introduction & Opening Comments

The meeting reconvened at 9:06 a.m. Mr. Neimeyer reviewed the agenda and shared with the TAC that Colonel Kertis of the USACE Pacific Command would be available for a brief introduction to the TAC during the lunch hour.

Agenda Item 2: Public Comments

Mr. Neimeyer indicated that individuals talking about a specific project should report on what is new and materially different since the application was submitted and/or respond to specific questions from TAC members based on the member’s review of the application.

Mr. Duncan Fields discussed the Ouzinkie dock replacement project and answered questions posed by the TAC. Despite the community’s efforts to mitigate increasing costs, the bid came in \$2 million above the engineers’ estimate. The scope of the project is being negotiated with West Construction. The City of Ouzinkie is managing the contract. Mr. Fields described the project and the TAC discussed the requested funding. Mr. McKinnon believes that if a \$1 million award was executed, a contract could be executed and moved to construction in a timely manner. Mr. Fields discussed the population of Ouzinkie, which had dropped 20 percent due to logging opportunities on another island, but was stable with an increase in the school population over the last two years.

Agenda Item 3: Waterfront Development Project Selection

The TAC reviewed, discussed and scored the following projects:

WATERFRONT DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations	
Project	Scoring Notes
Angoon Barge Landing-Design	After reviewing the project, Mr. McKinnon recommended the project be assigned to the Corps of Engineers under the existing Technical Services Agreement so it can be further evaluated to determine if there is a more cost effective way of addressing Angoon’s barge landing needs. Mr. Neimeyer amended the recommendation to suggest the DOT&PF and the City of Angoon participate with the Corps of Engineers on the analysis. After further discussing the project, it was decided it

	would be scored and then staff's recommendations reiterated. With all of the TAC members scoring, the project was scored at 86.0.
Coffman Cove Harbor Drivedown Ramp-New Start-Design	After reviewing the project, Mr. McKinnon recommended that Coffman Cove pay \$55,000 for a design effort and come back to the Commission with a construction proposal given the Commission's existing investment in the community. The TAC discussed whether the project should be scored. A motion to declare the application ineligible was made by Mr. Quinlan and seconded by Mr. Pool. The motion passed unanimously.
Hoonah Marine Industrial Center Phase III-Construction	After reviewing the project, Mr. McKinnon said the recommendation was to fund the project at the \$1 million cap, less the \$343,000 already put into the project. The TAC discussed scoring the project at the \$1 million requested or at \$657,000 per staff's recommendation. A motion to score the project at \$657,000 was made by Mr. Quinlan and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 124.0.
Hydaburg Small Boat Harbor Reconstruction-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project. Recommendation was to fund the project at \$1 million. With all of the TAC members scoring, the project was scored at 120.0. The project will be assigned to the USACE for project development.
Kake Boat Launch Ramp Replacement-New Start-Design	After reviewing the project, Mr. McKinnon recommended the project be assigned to the USACE and the funding amount increased. A motion, including an accepted amendment, was made by Mr. Pool and seconded by Mr. Romenesko, to authorize \$150,000 for staff to move forward with the USACE for site review and scoping. If staff believes the project to be eligible and practical, it can move forward with final design. The motion, as amended, passed unanimously. With all TAC members scoring, the project was scored at 95.1.
Petersburg North Harbor	This project was not scored as the project sponsor removed it from consideration.
Saxman Harbor-Planning	This project was not scored as the project sponsor removed it from consideration.
Saxman Harbor-Construction	This project was not scored as the project sponsor removed it from consideration.
Saxman Seaport Warehouse Roof	This project was not scored as the project sponsor removed it from consideration.

Repair-Design	
Saxman Seaport Warehouse Roof Repair-Construction	This project was not scored as the project sponsor removed it from consideration.
Tenakee Springs Ferry Dock Improvements-New Start Design	After reviewing the project, Mr. McKinnon recommended scoring the project with the idea that the City of Tenakee Springs and the Denali Commission each provide 50 percent of the funds and the project be assigned to the USACE for design and construction management. After discussing who should perform the dock work if it is part of the state’s ferry system, Mr. Pool felt the project should go to the State of Alaska DOT&PF, for design and they should submit a construction package. After discussing who should do dock projects, levels of funding, cost sharing, and partnerships on projects that significantly serve the marine ferry system, Mr. McKinnon agreed that this was a local sponsor project and the organization utilized would be a separate matter. The TAC then moved on to discuss the project and the funding needed. This item will be continued after lunch.

SPECIAL GUESTS -- COLONEL EDWARD KERTIS AND CORPS OF ENGINEER MEMBERS:

Mr. Neimeyer welcomed Colonel Kertis and the Corps of Engineer members to the meeting and briefly explained the project scoring process. The TAC members, staff, and Corps staff introduced themselves. Colonel Kertis, Commander of the USACE Pacific Ocean Division, discussed the responsibilities of the Pacific Ocean Division, which includes Alaska, Honolulu, Japan and the Far East. Mr. Bersson discussed the Pacific Ocean Division’s attempt to focus on developing relationships in Southeast Asia, who has similar project needs as rural Alaska. The Institute for Water Resources was briefly reviewed. Colonel Kertis talked about the Corps work with tribal entities and Native people. The TAC and the Corps of Engineers went through a question and answer session. Items discussed included USACE involvement in construction projects, their work capacity, services available, Newtok and climate change issues, and USACE projects within Alaska.

Lunch from 12:35 p.m. to 1:47 p.m.

<p>WATERFRONT DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations</p>

Project	Scoring Notes
Tenakee Springs Ferry Dock Improvements- New Start Design (continued)	The TAC continued to discuss the need for the project and the level of investment, including the appropriate amount from the Denali Commission versus other entities. A motion to increase the funding amount to up to \$200,000 was made by Mr. Pool and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 83.1.
Holy Cross- Preliminary Engineering	This project was moved from Roads to Waterfront Development. After reviewing the project, Mr. McKinnon recommended assigning the project to USACE for \$150,000 to do an assessment of barge landing site conditions, both upstream and downstream of the existing site which is subject to sedimentation, and to bring WFLHD in to help with the road elements of the reconnaissance effort if it is determined that the downriver site is the only practical site. Mr. Neimeyer said there was an opportunity for a 20 percent match from the State. TAC members discussed possible conflicts of interest in relation to gravel purchases if the road was built. Mr. Richards recused himself from voting due to a possible conflict with gravel sales. With Mr. Richards recused and the remainder of the TAC members scoring, the project was scored at 88.0.
Ouzinkie Dock Replacement- Construction	After reviewing the project, Mr. McKinnon recommended \$1 million be used for the scoring process. The sponsor has identified items in the project that can be deducted equaling \$900,000 to make the \$1,000,000 request suitable. The project is meritorious and should be ranked at the \$1 million level with an emphasis on safety and operations. A motion to reduce the funding level to \$1 million as made by Mr. Quinlan and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 147.3.
Wrangell Heritage Harbor Boat Launch- Construction	This project was not scored as the project sponsor removed it from consideration.
Wrangell City Dock Repairs- Construction	After reviewing the project, Mr. McKinnon said the project requested \$762,000, which when combined with the money funded in prior years, equaled a \$1 million contribution to their \$4.5 million project. A motion to score the project based on \$762,000 was made by Mr. Pool and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 121.9.

Homer Small Boat Harbor Float Replacement Design	After reviewing the project, Mr. McKinnon said Homer had \$110,000 available for the project. The construction estimate is \$5.2 million with no construction funding currently identified. Recommendation was to fund the project at \$440,000. With all of the TAC members scoring, the project was scored at 83.3.
Point McKenzie Port Development-Ferry Dock Expansion-Construction	The TAC discussed whether the project was eligible for funding. Mr. Hoffman read the Responsibilities of the Advisory Committee, which indicated it was not. A motion to deem the project ineligible was made by Mr. Romenesko and seconded by Mr. Hoffman. The motion passed with Mr. Pool abstaining due to a conflict of interest.
Seward Harbor Float Replacement-New Start Design	Mr. McKinnon reviewed the project and noted that this is a new start in a facility that received \$1 million in 2008 and is ready to closeout. Recommendation was to fund the project at \$100,000. With all of the TAC members scoring, the project was scored at 48.7.

After noting the agenda was behind schedule, the TAC decided to complete the review of the waterfront projects and then hear public testimony on road projects even though they would not be scored until the next day.

WATERFRONT DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations	
Project	Scoring Notes
Akutan City Dock Improvements-Design	After reviewing the project, Mr. McKinnon recommended scoring the project at \$600,000 contingent on the City of Akutan providing \$600,000 in matching funds. The TAC expressed their discomfort in assigning construction funds without a design being in place. An alternative would be to provide design funds to the DOT&PF, the City of Akutan, or USACE. There are currently two ongoing Commission projects in Akutan. A motion to amend the application to \$60,000 was made by Mr. Quinlan and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 86.9.
Bethel City Dock	After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on

East Wing Wall-Design	safety and operation efficiency. The project will extend the useful dock face by 20 percent. The construction costs have not been identified, but Bethel has been good at executing the other Commission projects. Bethel is a hub community for the area. Recommendation was to fund the project at \$\$200,000. With all of the TAC members scoring, the project was scored at 111.6.
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The TAC decided to hear from the guests present, even though the projects would not be scored until tomorrow.

Cherilyn spoke on behalf of the Hydaburg Saltry Point Road construction project. Mr. McKinnon noted that staff recommended that WFLHD would have oversight of the project on behalf of the Commission. Cherilyn indicated it was the community’s desire to manage the project as a local sponsor and they had capacity to do so.

After discussing the relationship between the Commission and the Bureau of Indian Affairs (BIA), two representatives from the BIA were introduced, Minerva Chavez and Nathan Cornelis. Mr. Cornelis discussed the Chignik Lake culvert replacement construction project, which will have a 20 percent match from the community and is requesting \$500,000 in construction costs.

The Hughes Moose Loop/Blueberry Road construction project was discussed. The road is designed to assist in the migration of the community to higher ground to escape spring floods. Staff’s recommendation is to score it as a high value project. Eddie Hakala and Minerva Chavez answered TAC questions about the project. Wilmer Beetus discussed the flooding in Hughes and how the new road and subdivision, which would be built above the high watermark, could contribute to saving the village by encouraging people to move back there. A \$1 million request has been submitted to the BIA, so the actual amount requested from the Denali Commission will be clarified when the project is scored.

WATERFRONT DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations	
Project	Scoring Notes
Kodiak-Anton Larson Dock Replacement-	After reviewing the project, Mr. McKinnon recommended scoring the project at \$80,000 with a \$20,000 match from Kodiak. A motion to amend the application request to \$80,000 was made by Mr. Romenesko and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC

Design	members scoring, the project was scored at 102.4.
False Pass Harbor Utility Installation-Construction	After reviewing the project, Mr. McKinnon stressed the importance of the project and recommended scoring the project with an emphasis on safety. Recommendation was to fund the project at \$996,461. With all of the TAC members scoring, the project was scored at 114.4.
Igiugig Barge Landing-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project as nominated and with an emphasis on safety. Recommendation was to fund the project at \$502,044. With all of the TAC members scoring, the project was scored at 121.0.
Iliamna Dock Reconstruction-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project as nominated. A motion, including an accepted amendment, to score this project and the Kokhanok barge landing ramp project the same as the Igiugig barge landing construction project was made by Mr. Pool and seconded by Mr. Romenesko. The motion passed unanimously. Recommendation was to fund the project at \$608,000. With all of the TAC members scoring, the project was scored at 121.0.
Kokhanok Barge Landing Ramp-Construction	A motion, including an accepted amendment, to score this project and the Iliamna dock reconstruction project the same as the Igiugig barge landing construction project was made by Mr. Pool and seconded by Mr. Romenesko. The motion passed unanimously. Recommendation was to fund the project at \$326,384. With all of the TAC members scoring, the project was scored at 121.0.
Karluk Community Dock-Planning	After reviewing the project, Mr. McKinnon suggested the project be pulled and USACE use existing Technical Services money to do a reconnaissance report, including practical solutions for the dock. A motion to have USACE do a reconnaissance study on the project under the existing Services Agreement was made by Mr. Pool and seconded by Mr. Zimin. The motion passed 6-1, with Mr. Quinlan abstaining. The project was not scored as existing funds will be utilized.

<p>Nondalton Boat Launch Ramp and Float-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended ranking the project at \$1.2 million for the ramp only. After further discussion, Mr. McKinnon felt the project should be pulled until a better project could be developed. The TAC discussed alternatives to a boat launch ramp. A motion to score the project at \$1 million was made by Mr. Romenesko and seconded by Mr. Pool. After discussion, Mr. Romenesko withdrew his motion. A motion to delay consideration of the project due to a lack of information was made by Mr. Pool and seconded by Mr. Zimin. The TAC discussed how the project was submitted; the fact the application was unsigned, whether the project could be scored as submitted, and if the project was construction eligible. Mr. Pool withdrew his motion. Mr. Neimeyer ruled the application was incomplete. He and staff will work on how to make adjustments to the project as necessary. The TAC supported the ruling and staff will work with USACE to develop a project within the Commission funding limits of \$1,000,000.</p>
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The meeting adjourned at 5:50 p.m.

DAY 3, January 20, 2011 format same as Day 1 with box

The meeting reconvened at 9:10 a.m. After discussing the schedule, it was decided the TAC would continue scoring the waterfront development projects after providing and opportunity for public comment. Road projects would be reviewed and scored in a subsequent TAC Project Selection meeting to be scheduled for February or March.

Public Comments:

Mr. Sol Atkinson, representing the Native Village of Metlakatla answered the TAC questions on the Metlakatla Walden Point Road Connector Road project. Funding for the larger road that this project would connect to was approved and is scheduled for completion by July 15. That project will be put out for competitive bid. After reviewing the project, Mr. McKinnon said staff recommendation would be to have Western Federal Lands do a project design to see if it could be tied into an ongoing paving project. The TAC discussed the Commission’s past funding in Metlakatla and the potential to use an overlay seal to do the project in coordination with the paving contractor already scheduled for the upcoming

project was discussed. WFLHD, who would manage the project, could amend the contract as necessary if it was practical to resolve the deteriorated surface with an overlay only.

Mr. Arne Fuglvog of Senator Lisa Murkowski's office and Mr. James Feldman of Senator Mark Begich's office stopped into the meeting and discussed the upcoming Congressional Continuing Resolution, which needs to be implemented when the current CR expires on March 4. For the remainder of 2011, it is anticipated Congress will provide further CRs or an omnibus spending bill. In either case, financial rescissions are likely. An update was provided on the Highway Reauthorization Bill, earmarks and the restructuring of the Senate since the elections. Arne discussed 8(a) companies, potential Senate committee appointments for Senator Murkowski, funding for port and harbor projects, match issues, and other issues related to funding actions in Washington, D.C.

John Huestes reviewed the Port Saint Nicholas Road project and then answered the TAC questions. There are existing homes in the subdivision, as well as summer cabins in the area. The community anticipates the empty lots will be developed once the road improvements are complete. Phase One is still in process and should come in on budget. The overall project is being done in phases due to funding limitations. If selected for funding, the design will go out for RFQ (request for qualifications) for engineering services for design.

Grant Hildreth from the Northwest Arctic Borough said the Borough supported four projects before the Commission. He and Mr. Chase Nelson were available to answer questions or provide technical information regarding Selawik, Kiana, Noatak, and Buckland road projects. After discussing the Buckland River bridge project, Mr. McKinnon said staff's recommendation would be to assign \$50,000 to WFLHD to investigate the development of an ATV bridge that might be an alternative or first generation project. The project was further discussed in relation to funding, flooding issues, and the proposed bridge design and the ice jamming issues in the river. For the other three projects, there is no new information since the applications were filed, but there could be new information forthcoming on the Kiana project. After the TAC expressed concern that NANA owned the right-of-way on the Kiana project, Mr. Nelson said he believed NANA would be donating the Right of Way to the City of Kiana. The TAC asked for clarification of that item before the project was scored. The TAC discussed regional corporations and Title 23 issues. Mr. Pool felt there should be a policy on whether projects would be funded on public and/or Native lands. After expressing the importance of the Noatak project, Mr. McKinnon recommended it be scored with the understanding that no additional funds are likely in the near term and the Commission already has funds in play on the project for a first generation winter haul road. The final project, Selawik, which staff supports, is a 9 percent match for a DOT&PF project that will complete the board road system in Selawik. Mr.

Pool felt a condition of approval would be that the Right-of-Way should be donated to the City of Selawik, which was further discussed. These projects will be scored later in the meeting.

WATERFRONT DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations	
Project	Scoring Notes
Togiak Waterfront Development-New Start Design	After reviewing the project, Mr. McKinnon recommended scoring the project for \$50,000 for USACE to prepare a dock plan. A motion to score the project for \$50,000 as a USACE reconnaissance by Mr. Zimin was seconded by Mr. Hoffman. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 112.9.
Sand Point Galovin Small Boat Harbor-New Start Design	After reviewing the project, Mr. McKinnon recommended putting the project on hold since there were two ongoing Commission-funded projects in Sand Point at this time, or scoring the project with the understanding that there are projects underway. The TAC discussed the construction funding, none of which has been secured at this time. A motion to table the project was made by Mr. Hoffman and seconded by Mr. Zimin. Mr. McKinnon noted that the Commission’s practice has been to have one project at a time in a community, although there could be one waterfront project and one road project. There is currently an ongoing waterfront and road project in Sand Point. The TAC discussed the word “table” in the motion and whether an application that misrepresents the amount of funding secured should even come before the committee. It was noted that when the word “table” was used, it meant “extinguishing it from the current funding cycle.” Mr. Hoffman withdrew his motion. A motion to reject the application, have the community use their funds to complete phase one and the design phase, and then reapply in FY2012 was made by Mr. Pool and seconded by Mr. Zimin. The motion passed unanimously.
Unalaska-Distressed Vessel Moorage Devices-New Start	After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on safety. The TAC discussed why DEC was not funding the project, what would be gained from the project, future funding, and commercial vessel traffic in the area. Recommendation was to fund the project at \$250,000. With Mr. Ivanoff out of the room and the remainder of the TAC scoring, the project was scored at 111.3.
Mooring Points	Mr. McKinnon reviewed the project, which was submitted by USACE at Commission request. Ms.

<p>Kuskokwim River-Construction Phase III</p>	<p>DeLong referenced the Mooring Points Study done completed in 2008 and the likelihood that the Commission would need fully fund the construction and installation of the mooring points given the communities they were in. The TAC discussed the cost and purpose of mooring points. Staff recommended scoring both phases of the project, with Phase III being funded at \$2.1 million. With all of the TAC members scoring, the project was scored at 121.9.</p>
<p>Mooring Points Yukon River-Norton Sound Kotzebue-Construction Phase IV</p>	<p>A motion to score the project at \$4.9 million was made by Mr. Pool and seconded by Mr. Zimin. It was noted that staff had recommended funding \$2 million. The affect of overbooking on this project to accommodate short falls in other project developments was discussed, as well as how the motion could be worded to allow funding up to \$4.9 million. After discussion, it was decided the will of the TAC was to score the application at \$4.9 million. The proposed motion was unnecessary as nothing was being changed. A motion to score the project the same as the Mooring Points Kuskokwim River-Construction Phase III was made by Mr. Zimin and seconded by Mr. Romenesko. The motion passed unanimously.</p>
<p>Eek Barge Landing-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended withdrawing the project at its current funding level and working with USACE to come up with a cost effective solution. A motion to reject the application and reevaluate the design issues was made by Mr. Romenesko and seconded by Mr. Hoffman. The motion passed unanimously.</p>
<p>Hooper Bay Boat Harbor-Planning</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project for basic safety and economic values at the range of \$25,000 for a USACE reconnaissance engineering effort to determine if there is a practical harbor solution. A motion to reject the application on the basis that there is no signed application, public support, or very little within the application that deems it an application was made by Mr. Quinlan and seconded by Mr. Hoffman. The Commission will use its Technical Services contract with USACE to look for a practical solution and bring it back to the committee. The motion passed unanimously.</p>
<p>Huslia Boat Launch and Barge Landing Dock-New Start</p>	<p>After reviewing the project, Mr. McKinnon recommended that the project be scored for a planning phase by USACE; or that the application be withdrawn and, operating under a Services Agreement, a reconnaissance of this project be executed by USACE. A motion to authorize staff to withdraw the application and use the USACE Technical Services Agreement to do a reconnaissance study to scope out the work and then fill out a proper application was made by Mr. Pool and seconded by Mr. Zimin. The motion passed with Mr. Quinlan abstaining.</p>

<p>Port of Nome High Mast Light Foundations and Towers-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended the project be scored with an emphasis on safety and operations. Mr. Romenesko recused himself from scoring due to a conflict of interest. Mr. Neimeyer suggested, for future funding, that the TAC talk about requiring local contributions from cities that had a significant tax base. Mr. Pool thought the scoring criteria were flawed, because a project received a score of 3 whether they provided 20 percent or 80 percent of the funding. Recommendation was to fund the project at \$666,508. With Mr. Romenesko recused and the rest of the TAC scoring, the project was scored at 122.8.</p>
<p>St. Michael Port Development-New Start</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project at \$150,000 to have USACE study site conditions, offshore development opportunities, and to do a benefit/cost analysis to provide a clear picture of the value of the port and what the port configuration could be as a result of the USACE analysis. Mr. Ivanoff felt the CDQ group, as well as possibly the Native corporation, should be contacted and asked to contribute financially to the project. A motion to adjust the application to \$150,000 and have USACE do a reconnaissance study of the project was made by Mr. Quinlan and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC scoring, the project was scored at 105.6.</p>
<p>Kotzebue-Cape Blossom Deep Water Port-New Start</p>	<p>After reviewing the project, Mr. McKinnon said staff's written recommendation was \$300,000. However, subsequent to development of the report, additional information was received that made it clear the project should be withdrawn as unnecessary in light of survey working being conducted by NOAA. The community has not withdrawn their application. A motion not vote on the application due to additional information received after the books were received, but allowing for the project to reapplying for the next funding cycle, was made by Mr. Quinlan and seconded by Mr. Zimin. The TAC further discussed NOAA's proposed project around Cape Blossom. The motion passed unanimously.</p>
<p>Kotzebue-Swan Lake Harbor Reconstruction-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project at \$1 million. After the TAC questioned the timing of the project, it was explained that a large portion of the project could be done in the wintertime. The TAC discussed if it was their past practice to set aside funding for projects that had not secured the other funding sources. A motion to score the project at \$1 million was made by Mr. Pool and seconded by Mr. Zimin. The TAC discussed what would happen if the rest of the funding for the project was not secured. If projects are going to be forward-funded then all projects should be treated equally. After TAC members expressed their opinions on forward-funding, it was decided to move forward. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 129.0.</p>

Statewide Barge Landing Site Investigations-Recon Engineering	After reviewing the project, Mr. McKinnon recommended funding at \$250,000. The difference between Savoonga Mooring Points, Phase IV Barge Landing Improvements, and this project was discussed. Those include the staging area, the access road, and the dock front. The TAC discussed CDQ groups and other entities that should participate in cost sharing on the project. With Mr. Quinlan absent and the rest of the TAC scoring, the project was scored at 109.3.
Ketchikan Boat Harbor South Drive Down Ramp-Design	After reviewing the project, Mr. McKinnon said staff recommended \$0, but the representative wanted to do a joint venture on the design of the project. The request is for \$100,000. With all of the TAC members scoring, the project was scored at 106.4.
Petersburg North Harbor	This project was not scored as the project sponsor removed it from consideration.

Mr. Neimeyer discussed the \$1.4 million in State of Alaska General Funds was to be considered as potential match as discussed at the beginning of the meeting. He recommended staff provide a written recommendation to assist the TAC in their discussion at the next meeting. All Waterfront Development projects were scored, but the road projects were not. The TAC discussed a new process for reviewing road projects, whether public comments should be allowed at a specific time or throughout the meeting, and having staff set a date to schedule a meeting to score the road projects.

A motion to adjourn the meeting was made by Mr. Zimin and seconded by Mr. Romenesko. The motion passed unanimously.

The meeting adjourned at 2:38 p.m.