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**Denali Commission Transportation Advisory Committee (TAC)
Meeting Minutes for March 3-4, 2011**

Members Present:

Joel Neimeyer, Denali Commission
Ray Richards, Doyon, Ltd.
Chuck Quinlan, K'oyitl'ots'ina, Limited
Chuck Pool, Pool Engineering, Inc.
Carvel Zimin Jr., Bristol Bay Borough (BBB)
Randy Romenesko, Norton Sound Health Corporation (NSHC)
Steve Ivanoff, Kawerak, Inc.

Members Absent (excused):

Walter Sampson, NANA Regional Corporation
Mike Hoffman, Association of Village Council Presidents (AVCP)

Others Present:

Adison Smith, Denali Commission
Mike McKinnon, Denali Commission
Tessa DeLong, Denali Commission
Ted Wood, Western Federal Lands Highway Division (WFLHD)
Tom Lonergan, WFLHD
Jamilia George, State Co-Chair's Representative
Bob Pawlowski, Denali Commission & AK State Legislature
Brian Pederson, RP Kinney & Associates

Melanie Peterson, U.S. Army Corps of Engineers (USACE)
Chris Riley, Federal Highways Administration (FHWA)
Keith Jensen
John Baalke, Pedro Bay Village Council
Janelle Baalke, Pedro Bay Village Council
John Huestis, City of Craig (Telephonic)
Tasha Deardorff, USDA

DAY 1, March 3, 2011

Agenda Item 1: Introductions and Opening Comments

Chair Neimeyer called the meeting to order at 9:10 a.m. TAC members and guests introduced themselves.

The meeting agenda for March 3, 2011, was reviewed. There were no changes.

The meeting minutes for January 18-20, 2011, were reviewed.

A motion to approve the January 18-20, 2011, meeting minutes was made by Mr. Zimin and seconded by Mr. Ivanoff. The motion passed unanimously.

Mr. Neimeyer discussed several things that had occurred since the last meeting including the DOT OIG report, funding challenges as a result of Congressional proposals for rescissions and sweeping unobligated balances, and future funding scenarios.

Ms. DeLong said staff had been directed by the Federal Co-Chair to obligate \$6.5 million of transportation projects in 10 business days in response to the potential that these funds may be swept by Congress. This would typically be done through the grant system and takes a minimum of 21 days. Staff identified award actions, outside of the grant system, which would go primarily to our federal partners like WFLHD or the USACE through a reimbursable agreement (RA). The mooring point projects also provided the most flexibility in terms of de-obligating money if necessary.

The committee discussed what would happen if the budget was not passed and the government shut down. Mr. Neimeyer said staff would not be affected except he would be furloughed and the appropriate duties to cover his position would be delegated to staff.

Agenda Item 2: DOT-OIG Report Review

Mr. Neimeyer referenced the DOT-OIG report. After discussing the report with three Alaska delegation staffers in Washington, D.C., and asking them if they needed any information or tools to rebut any criticism of the Transportation Program, they all indicated they were pleased with the report and did not have any concerns. However, they will review the report in case there are any concerns before the Commission starts identifying solutions and establishing policies and procedures, based on the DOT-OIG report, and then putting them into play.

Mr. Pool said the report indicated that all committee members should declare that they did not have a conflict of interest before scoring a project.

A motion to have all TAC members declare if they have a conflict of interest prior to scoring projects, with conflicts of interest being declared and the member recused from voting, was made by Mr. Pool.

The committee discussed the DOT-OIG report. Mr. Richards felt the committee did a good job of self-policing any conflicts of interest. Mr. Romenesko said the report indicated there was a problem with the discussion and consensus method used, but he felt the charter provided for the members to use their knowledge of rural Alaska to solve problems in an economic and efficient manner.

Mr. Neimeyer asked if it was reasonable to develop, approve and implement the policies and procedures within 90 days. Mr. Pool pointed out that the governor appointed the committee members. He felt signing the same conflict of interest policy as a federal employee challenged his rights, but he stated he did not object to removing the discussion phase before voting on projects. Mr. Zimin felt the discussion phase before voting on projects was important, because not every project should be scored.

Mr. Zimin seconded the motion.

Ms. DeLong said the last two pages out of the DOT-OIG report included the recommendations and responses from FHWA, which articulate what FHWA communicated to the commission, was the important part of the report. From FHWA's perspective, many of the recommendations and responses are closed. At the staff level and in talking with FHWA, the Commission needs to formalize committee discussions by providing meeting minutes that include details on how the scoring occurs, how a consensus is reached on a particular project, and when a conflict of interest is identified by a member. The committee discussed the revision of a three-page document on the roles and responsibilities (that had previously been provided to TAC members at the January 2011 meeting). Staff plans to take the roles and responsibilities document, incorporate the items identified on the last two pages of the DOT-OIG report, and then have the members review the document at the spring 2011 retreat. This would be done in addition to the previously discussed practice of holding an annual ethics training and recording who attended in the meeting minutes. Staff does not anticipate an ongoing communication with the DOT-OIG office. Ms. DeLong indicated that the Commission's relationship is with the partner, FHWA, and will need to work out the details of how the Commission is going to respond to the issues within the report with FHWA.

The motion on the floor, which was made by Mr. Pool and seconded by Mr. Zimin, was restated: TAC members declare if they have a conflict of interest prior to scoring projects, with conflicts of interest being declared and the member recused from voting.

The motion passed unanimously.

Ms. DeLong suggested having staff prepare a revised draft version of the roles and responsibilities document, distribute it for discussion via e-mail, and prepare a final draft to be reviewed in late spring. The goal is to have a completed document that has been approved by the TAC before FY12.

Agenda Item 3: Partner Updates

Ms. DeLong gave updates on meetings held with WFLHD and the USACE, which are held every year to discuss the projects that have been scored, ranked and approved for movement to them for management.

Mr. McKinnon noted that WFLHD was utilizing Alaskan architectural and engineering firms for design and construction management work on our programs, which the committee discussed early in the process. In combining Indian

Reservation Road (IRR) funds and Commission funds, the projects go through a contractor bid process and Alaskan contractors are winning the work. This is an advantage to the communities, because the contractors often chose to hire locally.

Ms. DeLong discussed the challenges of meeting initial construction schedules when funding was delayed. When money is received as late as April and May, which then has to go through the bid process, construction schedules and bid packages are compromised. Solutions staff has considered include revising the selection process in terms of time and having a pool of money available for design or construction projects. Staff will continue pushing to find a mechanism to deal with this issue. Mr. McKinnon said every state highway agency was facing the same issue of money coming in small disbursements rather than lump sums, but with Alaska' shortened design, field and construction seasons it is critical when the money is received late in the season. Mr. Pool suggested asking the Governor to establish a \$5 million revolving loan to fund the projects, which would be paid back when the FHWA and FTA funds were received. Mr. McKinnon felt this was a worthy idea to bring to the table. The committee further talked about the funding process, including state match and gifting issues. Mr. Ivanoff liked the concept of a revolving loan with the state, which he felt was a small request considering the benefits the villages receive from the program.

The committee moved on to agenda item 5, road project selection. Agenda item 4 will be taken up at 10:15 as stated on the agenda.

Agenda Item 5: Road Project Selection

Ms. DeLong explained how the selection process would proceed and the reorganization of the road projects books.

Mr. Pool explained why he felt a policy should be established to preclude the Denali Commission from funding right-of-way acquisitions. Mr. Pool suggested that it was not an appropriate use of federal funds to purchase right-of-ways for private corporations. Mr. Ivanoff agreed with Mr. Pool. Mr. Neimeyer pointed out that having not discussed this issue prior to this round of applications, it would be difficult to implement at this phase, although it could be incorporated into the policies for future rounds. . Mr. Pool suggested handling this issue in the project criteria phase and until it is, he will be scoring projects with right-of-ways on a negative basis. Mr. Zimin talked about a scenario where a community donates the land and right-of-way for a project and questioned if would be considered an in-kind match. Mr. McKinnon reviewed the requirements for right-of-way acquisitions under Chapter 1, Title 23. The project development agent is required to offer a fee, based on appraisal, for the right-of-way required for a project. Mr. Riley said donated land can be accepted,

but an offer must be made based on appraisal. Villages often do not have surveyed right-of-ways and requiring one for a project could cost up to \$140,000. Most of the right-of-way issues are covered under 14(c)3 where Native corporations turn lands over to a city or tribe for local purposes. It was decided this item would be further discussed during the retreat.

Agenda Item 4: Public Comment

Ms. Tasha Deardorff with United States Department of Agriculture (USDA) Rural Development, was asked to briefly join the meeting and provide an update on the Pedro Bay Solid Waste project. Ms. Deardorff said that Rural Development, after hearing that the State of Alaska was going to cancel the project's funding, de-obligated their funding of the project. Mr. Baalk, representing Pedro Bay Village Council, reviewed the history and funding of the Solid Waste project over the last 10 years, as well as the work that still needs to be done. Mr. McKinnon shared with the Committee that although one of the Department of Transportation's and Public Facilities (DOT&PF) priorities is building roads to landfills and sewage lagoons, the DOT & PF has not been approached on this project. The changes in the landfill access and development to an incinerator were with the concurrence of the agencies providing the funds. There is no landfill funding currently in place as it has been de-obligated. Mr. Pederson discussed the road access, which is included in the plan set and connects the dump to the existing road. In response to Ms. DeLong's question about match funding, Mr. Baalke said \$1 million from IRR, which is still in process, was the entire match available as the \$438,000 from Alaska Native Tribal Health Consortium (ANTHC) had been de-obligated. In response to Mr. McKinnon, Ms. Deardorff said it was her understanding that the project was designed, but no construction money was available. In response to Mr. Pool's request for clarification on the funding available, Mr. Baalke said the \$1 million from IRR was pending, \$240,000 had been received, and \$1 million in bridge replacement funds have been applied for through the Bureau of Indian Affairs (BIA).

Agenda Item 5: Road Project Selection (continued)

Ms. DeLong gave an update on the funding available for road projects, which in total is about \$15 million if all anticipated money is received and none of it is held back in the rescission discussed earlier in the meeting. There are no funds currently available in the Commission's accounts to award for road projects. With the possible de-obligations and rescissions, it is possible the program could have a low of \$10 million. Although there are \$20 million in requests, staff will be recommending funding about \$14.5 million in projects. (Note: Prior to staff discussion and board discussion of each project, Mr. Neimeyer asked if there was anyone present or on the phone who wished to represent the project in particular, note any material changes to the proposal since the nomination was submitted in November 2010).

A summary of the TAC's scoring of road projects follows (note: Mr. Niemeyer did not score projects):

ROAD DEVELOPMENT PROJECT SELECTION FY 2011 Appropriations	
Project	Scoring Notes
Craig Port Saint Nicholas Road-Final Design	The committee discussed their stance on funding multi-phased projects, which Mr. McKinnon explained was past practice, but not policy. After further discussing the project, Mr. McKinnon suggested either ranking the project based on its safety, economic development, and other criteria; or determining it is ineligible based on \$1 million already being invested in the project. Mr. McKinnon felt the applicant was actually requesting \$375,000 to finish the design and demonstrating that they have \$775,000 for the first phase of construction. Therefore the match would not be \$700,000, but more like \$300,000. Mr. Huestis, representing the project, said there were several year-round and summer homes in the subdivision, as well as anticipated growth once the road is complete. The timeline, funding, and match for the project were discussed. Mr. McKinnon asked if the 14(c)3 process was being used so there was not an obligation to pay for surface or subsurface estate through the tribal corporations. Mr. Huestis said he was not familiar with the 14(c)3 process and they would follow FHWA's procedures through the Uniform Relocation Act. Budget issues including the fact that the \$700,000 would not be received for two years and what the \$375,000 would be used for was discussed. Mr. Huestis talked about the progression of the project, the timeline, and funding. The committee discussed whether the project was ineligible due to FHWA funding constraints requiring full funding for the design effort and construction. A motion to declare the project ineligible until the Craig Community Association requests funding for a complete section of design, with the appropriate funding in hand, was made by Mr. Pool and seconded by Mr. Ivanoff. The motion passed unanimously.
City of Craig Local Streets Reconstruction and Paving-Final Design/Construction	Mr. McKinnon reviewed the project. The project will cost \$3 million and the applicant requested \$1 million. The City of Craig passed a resolution that includes providing a 9.03 percent match. The first portion of the project paved the main streets and the nominated portion would pave the side streets. A motion to score the project up to \$1 million, contingent on the City of Craig providing a 9.03 percent match, was made by Mr. Pool and seconded by Mr. Romenesko. With all of the TAC members scoring, the project scored at 68.4.

<p>Haines 3rd Avenue Connector Reconstruction-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project as a main route in town with an emphasis on safety and maintenance. The recommended funding is \$900,000 and the State has provided \$100,000 for match. The TAC continued to discuss the amount of funding requested versus that proposed in the original application. Mr. Neimeyer suggested having a discussion at the TAC retreat about what is appropriate to fund for a community with a tax base versus one without a tax base. A motion to score the project at \$900,000 was made by Mr. Zimin and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 91.2.</p>
<p>Hydaburg Saltry Point Road Reconstruction</p>	<p>The discussion on this project from the last meeting was reviewed. After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on safety in the amount of \$1,000,000. The TAC members agreed that Commission staff should determine the appropriate recipient to receive the funds and carry out the project. With all of the TAC members scoring, the project was scored at 101.6.</p>
<p>Metlakatla Walden Point Road-Design/Construction</p>	<p>The discussion from the last meeting was reviewed. Mr. McKinnon reviewed the modification to the request: funding request is \$695,093 with the IRR Program providing a \$68,000 match. Staff recommended scoring the project on safety and economic values, as well as assigning the project to WFLHD. A motion to revise the scoring to reflect \$695,093 and assigning the project to WFLHD was made by Mr. Ivanoff and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 84.6.</p>
<p>Petersburg Birch Street Viaduct Reconstruction-Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on safety in the amount of \$375,495. With all of the TAC members scoring, the project scored at 90.8.</p>
<p>Petersburg Sing Lee Alley Viaduct-Design</p>	<p>The TAC discussed the project's eligibility based on their historic practices related to having more than one active project in a community at the same time.. motion to table the project for reconsideration at the end of the process was made by Mr. Ivanoff and seconded by Mr. Pool. The motion passed unanimously. (At the end of the meeting the TAC returned to the project and discussed scoring in the amount of \$63,679).</p>
<p>Wrangell Wood Street Reconstruction-</p>	<p>The TAC discussed an ongoing road project in Wrangell that was funded for \$1 million and the funds have not have been expended. After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on safety and road maintenance. Mr. McKinnon noted that</p>

Design/Construction	the Wrangell City Streets project was funded last year, making the project ineligible. A motion upholding the TAC Project Ranking and Consideration # 5, which says the Denali Commission will not provide additional funding for a project area or project class if construction funds have been allocated to that area or class in a previous year, was made by Mr. Romenesko and seconded by Mr. Zimin. The motion passed unanimously. The project was not scored as it was deemed ineligible.
Cordova Dust Abatement Program Phase II-Phase II-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on safety/dust control in the amount of \$137,400. With all of the TAC members scoring, the project scored at 93.6.
Chignik Lake Airport Road & Barge Landing Road Culvert Replacements-Construction	After reviewing the project, Mr. McKinnon recommended preparing an award in the range of \$750,000 and working with BIA as a partner for project design completion and construction management. The TAC discussed the anticipated progression of the project, which would likely be a design effort this year. Mr. McKinnon said the TAC asked staff to find communities with low capacity and high needs, and this is the type of project which fits that category. The TAC discussed BIA assisting in funding the project. A motion to modify staff's requirement to reflect a design effort by BIA in the amount of \$175,000 was made by Mr. Romenesko and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC members scoring, the project was scored, based upon pre-construction activities, at 90.0.
Igiugig Float Plane Lake Road-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project with an emphasis on economic value in the amount of \$917,612. With all of the TAC members scoring, the project was scored at 83.0.
Pedro Bay Road Project and Barge Replacement	After reviewing the project, Mr. McKinnon recommended the project be deemed ineligible for consideration and that staff work with the community to get the project ready for consideration. The TAC discussed the fact that due to their low population and the closing of the school, the State would not put the project on the STIP. A motion to table this project to later in the agenda was made by Mr. Pool and seconded by Mr. Romenesko. The motion passed unanimously.
Birch Creek Feasibility Study	Mr. McKinnon said Birch Creek is one of the communities in northeast Alaska that staff has sought out to integrate them into the Transportation Program. Their primary need is to understand how they can work toward connecting to the state highway system, similar to the project in Stevens

	<p>Village. At the request of the TAC Mr. McKinnon indicated that Birch Creek’s current population was 31 and they are 26 miles southwest of Fort Yukon. Their school was closed in 1999. A motion to table the project to later in the agenda was made by Mr. Romenesko and seconded by Mr. Ivanoff. The motion passed unanimously. The project was scored at 81.8 for up-to \$300,000. The TAC further discussed the economic potential in Birch Creek and the surrounding area, considering a project based on its merits regardless of the community’s population, and the potential cost of the project.</p>
<p>Hughes Moose Loop Road and Blueberry Lane</p>	<p>The public testimony from the previous meeting was referenced. Mr. McKinnon reviewed the project and indicated staff were working with BIA as the possible recipient for the funds. A motion to score the project at \$716,000 contingent upon the community receiving IRR monies this year was made by Mr. Zimin and seconded by Mr. Romenesko. Mr. Richards said he could be the material supplier for the project; therefore, he had a conflict of interest and would abstain from voting. The motion passed with Mr. Richards abstaining. The project scored at 93.8.</p>
<p>Huslia Boat and Barge Landing Access Road-Final Design/Construction</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project for improved boat and barge operation safety, assigning it to the project to WFLHD for design completion for competitive bid, with project approval contingent on IRR funds of \$750,000. A motion to score the project contingent upon the \$750,000 cost share match being received was made by Mr. Pool and seconded by Mr. Zimin. Mr. Richards said he could be the material supplier for the project; therefore, he had a conflict of interest and would abstain from voting. The motion passed with Mr. Richards abstaining. With four TAC members scoring, the project scored at 84.5.</p>
<p>Northway Subdivision Access Road Reconstruction</p>	<p>After reviewing the project, Mr. McKinnon recommended scoring the project in the amount of \$200,000 with an emphasis on safety, assigning it to WFLHD to design for a competitive bid, and work with the community on obtaining BIA funding for construction. Mr. Richards said he could be the material supplier for the project; therefore, he had a conflict of interest and would abstain from voting. With four TAC members voting, the project scored at 83.3.</p>
<p>Chefornak Board Road Reconstruction-Design/Construction</p>	<p>Mr. McKinnon recommended scoring the project in the amount of \$1,000,000 for safety/health as a core value project with contingency fund assignment by management based on the successful design completion and identification of eligible funding items. The project to be assigned is to BIA. A motion to score the project contingent upon BIA IRR funds being secured was made by Mr. Zimin and seconded by Mr. Ivanoff. The motion passed unanimously. With all TAC members scoring, the</p>

	project scored at 114.0.
Emmonak Road Improvements- Preliminary Design	After reviewing the project, Mr. McKinnon recommended deeming the project ineligible as there were substantial funds already assigned to an ongoing road project funded by the Commission in the community of Emmonak. A motion to accept staff’s recommendations and not score the project was made by Mr. Romenesko and seconded by Mr. Pool. The motion passed unanimously.
Hooper Bay Community Streets	After reviewing the project, Mr. McKinnon recommended scoring the project. The contractor’s administrative fees were reduced from 40 percent to 5 percent, which is the pass through rate. The nominations materials or other documents of the agency may need to be revised next year to reflect the proper fees. A motion to score the project at \$134,647 was made by Mr. Pool and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project scored at 90.8.
Kipnuk ATV Trail- Design	Mr. McKinnon reviewed the project and explained that AVCP did not nominate the project. It was noted that the road would be useful to the other ongoing projects in Kipnuk. Mr. McKinnon said the field reconnaissance could be done with existing Technical Services funds on an RA with WFLHD. A motion to do the field reconnaissance under Technical Services was made by Mr. Ivanoff and seconded by Mr. Romenesko. The motion passed unanimously.
Kwigillingok ATV Road to Bow Lake- Design	After reviewing the project, Mr. McKinnon recommended scoring the project at \$125,000, and assigning it to WFLDH, for a design effort. A motion to score the project at \$125,000 was made by Mr. Zimin and seconded by Mr. Pool. The motion passed unanimously. With all of the TAC members scoring, the project scored at 95.6
Napaskiak Road Reconstruction	Mr. McKinnon said AVCP requested that this project be removed from consideration as the project is underway with other funding sources. A motion recognizing that the applicant withdrew the project from consideration was made by Mr. Zimin and seconded by Mr. Romenesko. The motion passed unanimously.
Pitkas Point Main Road Reconstruction	After reviewing the project, Mr. McKinnon recommended scoring the project at \$85,343 with an emphasis on safety. A motion to score the project at \$85,343 was made by Mr. Pool and seconded by Mr. Zimin. The motion passed unanimously. With all the TAC members scoring, the project scored at 78.4.

DAY 2, March 4, 2011

Agenda Item 1: Introduction & Opening Comments

The meeting reconvened at 9:02 a.m. The TAC members and guests introduced themselves. Guests include: Tom Lonergan, Ted Wood, Chris Riley, Tommy Ballot Sr., Nicole McCullough, Eric Miyashire.

An excerpt from the TAC's policies regarding investment guidance and population trends was read. Mr. Neimeyer felt the investment policy related to the appropriate building sizes and not transportation issues; however, the question of whether a community would survive did apply. Mr. Zimin felt the merits of every application should be considered, because not funding a project could impact a community's survival. Mr. Romenesko agreed that every application should be reviewed and felt regional issues should also be considered. Mr. Pool agreed and pointed out that projects often impact not only the local area, but the regional area as well. Mr. Richards agreed that all applications should be reviewed regardless of the size of the community. Mr. Ivanoff felt a community of 1,000 people should be a higher priority than a community of 40. However, smaller communities should be given an opportunity to access unutilized funds on a competitive basis. Mr. Neimeyer determined that the TAC would consider the Birch Creek and Pedro Bay projects. Scoring in relation to population size will be further discussed at the TAC retreat.

Agenda Item 2: Public Comments

Mr. Ballot said Mr. Sheldon asked him to attend the meeting to see how the process worked and thank the TAC for their help in Selawik. Mr. Ballot asked that all contractors be required to hire more local labor. He thanked the TAC for allowing him to attend the meeting and all the work they do for the state.

The TAC discussed the Selawik Board Road Reconstruction Phase II project, which will be scored later in the meeting. Mr. McKinnon summarized the project. After several questions, the following information was provided. The match would go to the DOT&PF who is doing the construction management. There will be strong local hire due to the carpentry school in Kotzebue. The match dollars will be used primarily for purchasing materials and shipping.

Ms. Dora Moore, with the Emmonak Tribal Counsel, who participated telephonically, was informed that the Emmonak Road Improvements project was discussed the previous day, but not scored. Ms. Moore thanked the TAC for their hard work and meeting the needs of rural Alaska.

Agenda Item 3: Road Development Project Selection (continued)

ROAD DEVELOPMENT PROJECT SELECTION (CONTINUED) FY 2011 Appropriations	
Project	Scoring Notes
Toksook Bay Community Roads Reconstruction	After reviewing the project, Mr. McKinnon recommended scoring the project based on safety and basic improvements in the amount of \$1,000,000, with the project being assigned to either AVCP or WFLHD. If the community decided to withdraw from their compact agreement with AVCP and Manage the project themselves, then all Denali Commission funds would move to WFLHD. With all of the TAC members scoring, the project scored at 87.0.
Stebbins Arrsauyaq Subdivision Road-Design	After reviewing the project, Mr. McKinnon said Kawerak would be doing a community streets project in Stebbins in the next year or two; therefore, this project will be resubmitted as part of a larger project at that time. A motion to accept staff's recommendation to remove the project from consideration based on new information on the possibility of future (2012) nomination of a larger project was made by Mr. Romenesko and seconded by Mr. Pool. The motion passed unanimously.
Gambell Evacuation Road Phase III-Construction	After reviewing the project, Mr. McKinnon said the project did not make it into the DOT&PF scoring ranks so there was no identified need for matching funds at this time. A motion to score the project, based on staff's recommendation, at \$850,000 was made by Mr. Pool and seconded by Mr. Romenesko. Mr. Ivanoff said he had a conflict of interest as an employee of Kawerak Inc. and would abstain from voting. The motion passed with Mr. Ivanoff abstaining. Mr. McKinnon further described the project, which is to build a road to cross the island and go to the subsistence camps on the far side. This funding is the 9.03 percent match to the DOT&PF funding. With four TAC members scoring, the project was scored at 98.8.
Buckland River Bridge-Preliminary Design	The public testimony from the previous meeting was referenced. After reviewing the project, Mr. McKinnon recommended \$50,000 to have WFLHD do a reconnaissance study to look at the potential for an ATV single-lane bridge to help the village start migrating to higher ground. The feasibility of an ATV bridge was further discussed. The TAC discussed if the project should be funded through the FY11 budget or Technical Services, as well as whether multiple projects could be funded. A motion to score the project at \$75,000 for a reconnaissance study assigned to WFLHD was made by Mr. Romenesko and seconded by Mr. Zimin. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 102.2.

Buckland Uptown Access Road-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project based on safety and quality of life in the amount of \$554,000, as well as assigning the project to the Native Village of Buckland. With all of the TAC members scoring, the project was scored at 106.8.
Kiana Gravel Access Road-Design	The public testimony from the previous meeting was referenced. DOWL said they would provide an update on the right-of-way issue. Mr. McKinnon said NANA Corporation has agreed to turn the right-of-way land over for local uses. FHWA have informed the Commission that public roads can be built to private facilities, especially material sites, under Title 23. DOT&PF did not rank this project very high and does not anticipate funding it this year. Staff's recommendation is to declare the project ineligible due to the absence of secured construction funding. A motion to accept staff's recommendation that the project is ineligible for funding and therefore should not be scored was made by Mr. Romenesko and seconded by Mr. Pool. The motion passed unanimously.
Noatak-Delong Mountain Terminal Access Road-Design	The public testimony from the previous meeting was referenced. After reviewing the project, Mr. McKinnon recommended that the project be declared ineligible due to lack of secured construction funding. In a corresponding project, the Denali Commission continues to work with Noatak and the Red Dog Mine on a fuel delivery project. A motion to accept staff's recommendations and declare the project ineligible due to lack of secured construction funding was made by Mr. Romenesko and seconded by Mr. Pool. The motion passed unanimously.
Point Lay Community Streets Rehabilitation & New Subdivision Access Road	After reviewing the project, Mr. McKinnon recommended scoring the project based on safety and quality of life in the amount of \$478,400. With all of the TAC members scoring, the project scored at 85.4.
Selawik Board Road Reconstruction Phase III-Construction	After reviewing the project, Mr. McKinnon recommended scoring the project based on safety and health. The award of \$116,487 would be the 9.03 percent match and used for material purchases and shipping. The Denali Commission has put almost \$1 million into previous phases of this project, but this would be DOT&PF match funds. With all of the TAC members scoring, the project scored at 113.6.
Wainwright Community Streets Rehabilitation-Construction	An unidentified male (public) said the NSB was currently undertaking utilities relocations, which were more expensive than estimated. The NSB will also contribute part of the materials. Inupiat Community of the Arctic Slope (ICAS), a consortium, has agreed in an MOA to provide \$50,000 to future maintenance. After reviewing the project, Mr. McKinnon recommended scoring the project

	based on safety and quality of life in the amount of \$656,035. With all of the TAC members scoring the project was scored at 101.4.
Birch Creek-Feasibility Study	This project was addressed earlier in the meeting and tabled. Mr. Richards said the Arctic Research Group agreed to provide administrative support and Doyon Limited agreed to provide GIS mapping support. The possibility of resource development past the corridor is currently unknown, although there are active exploration efforts. Mr. Richards said due to the possible conflict of interest with the potential road, he would abstain from voting. After reviewing the project, Mr. McKinnon recommended up to \$300,000 for a feasibility study. A motion to fund up to \$300,000 for a reconnaissance study by WFLHD was made by Mr. Zimin and seconded by Mr. Romenesko. The motion passed with Mr. Richards abstaining. Mr. Richards noted that Birch Creek submitted a capital project-funding request to the Legislature for \$100,000, but does not know if it will be granted. With four TAC members scoring, the project scored at 81.8.
Pedro Bay Road Project and Bridge Replacement-Final Design/Construction	This project was addressed earlier in the meeting and tabled. The public testimony from yesterday was referenced. After reviewing the project, Mr. McKinnon recommended that the project be deemed ineligible due to unsecured construction funds. A motion to accept staff's recommendation was made by Mr. Ivanoff and seconded by Mr. Pool. The motion passed unanimously.
Petersburg Sing Lee Alley Viaduct-Design	This project was addressed earlier in the meeting and tabled. Mr. Neimeyer reiterated the earlier decision that a design and construction project, from two separate projects but the same applicant, could be open in a single funding cycle as long as it does not surpass the \$1 million cap. After reviewing the project, Mr. McKinnon recommended scoring the project in the amount of \$63,679. With all of the TAC members scoring, the project was scored at 85.6.

Mr. Neimeyer called the meeting back to order at 11:20 a.m. The TAC discussed several Wrangell projects that were funded in prior years, as well as ongoing projects. The policy of not allowing two constructions projects at the same time and in the same community was discussed. Mr. McKinnon noted the rule was implemented to ensure the needs around the State were met. Mr. Pool suggested a two-tier scoring process to ensure all the available funds were awarded. Mr. Neimeyer suggested restating the policy to say a community cannot have two of the same type of projects a year, but they can have one waterfront and one road project if compelling circumstances exist and funding is available at the end of the process. The TAC talked about other potential problems with the current process including awards and billing issues. Ms. DeLong shared that the Commission was facing a different environment with funding and any money not

spent on rural Alaska community projects would be swept back to the Treasury. Without the Wrangell project, \$12.2 million in funding had been identified. However, the Wrangell project merits consideration given the circumstances of funding in the program this year. At this spring’s TAC retreat, the TAC should discuss prior year funds that are still sitting with some of our recipients and may need to be pulled back. The TAC further discussed whether the Wrangell project should be scored. Mr. Riley suggested changing the policy language from “will not” to something more flexible. The TAC talked about possible precedence in deeming a project ineligible under similar circumstances.

A motion to reconsider the previous motion of deeming the Wrangell Wood Street Reconstruction project as ineligible for scoring was made by Mr. Zimin and seconded by Mr. Pool. The motion passed unanimously.

ROAD DEVELOPMENT PROJECT SELECTION (CONTINUED) FY 2011 Appropriations	
Project	Scoring Notes
Wrangell Wood Street Reconstruction-Design/Construction	After deeming the project ineligible for scoring, the TAC reconsidered the motion and approved a motion to score the project. Mr. McKinnon recommended scoring the project for consideration as a different class of project from the DOT&PF Downtown Streets, which is being held up by unforeseen project development considerations. Mr. Ivanoff felt the project should receive funding only if excess funding was available. He was troubled by the change in rules, because other projects that did not meet the existing rules were not submitted for consideration. Mr. Neimeyer said this issue would be addressed at the retreat for consistency in the future. A motion to score the project at \$1 million, with the understanding that it would be considered after the other projects scored earlier in the meeting, was made by Mr. Zimin. The second was not captured in the meeting minutes. The motion passed unanimously. With all of the TAC members scoring, the project was scored at 81.8.

Agenda Item 6: Future Meeting Dates

The TAC discussed future meetings. The spring TAC retreat was tentatively scheduled for May 23 -25 in the Bristol Bay area. Ideas for what the TAC could do during the retreat were discussed.

TAC members will be informed of upcoming travel opportunities. The fall meeting schedule has not been established. Staff has discussed, but not planned, to make changes to the nomination schedule.

Ms. DeLong referenced pages 24 and 25 of the briefing material and provided a procedural overview of the memo process that is used to receive approval for projects recommended by the TAC for the Federal Co-Chair's approval. The FY 2011 memo for waterfront development projects recommended in January includes the projects that were withdrawn or deemed ineligible, which has not been done in the past. The memo also includes the Commission funding amount and the non-federal match funding requirement, which is important since FHWA requirements state that projects cannot move forward unless the match is in hand. In response to Mr. Romenesko, Ms. DeLong said the reimbursable agreements that are written with the USACE explicitly state that they are not allowed to proceed with any work on those projects until the Commission has identified the non-federal match.

The TAC discussed what would happen if the \$5 million were rescinded from their budget. Ms. DeLong noted that updates will be given as staff learns more about the potential rescission or loss of the \$5 million. This information should be available before the TAC retreat depending on the status of the Continuing Resolution (CR) and the FFY 2011 budget.

The TAC discussed the funding of Technical Services through partners. Ms. DeLong explained that staff typically identifies \$75,000 to \$150,000 to be added to Technical Services for both the USACE and WFLHD. Staff recommends that a motion does not identify a specific dollar amount for Technical Services.

A motion stating the TAC recognizes and endorses staff to identify a dollar figure, as of yet not identified, for FY11 Technical Services, with staff will report the number selected at the spring retreat, was made by Mr. Zimin and seconded by Mr. Romenesko. The motion passed unanimously.

Agenda Item 4: Summary of Waterfront & Roads Projects

Ms. DeLong reported that after the recommendations and scoring in January, the Federal Co-Chair had accepted and approved about \$14.8 million worth of waterfront projects. Those projects require about \$1.8 million in non-federal match, of which the Commission currently has \$600,000 in the bank through the de-obligation process. One of the strategies has been to award funds to the mooring point phase projects so that the Commission can show obligation of funding that is threatened to be removed from the agency pursuant to the resolution that has been passed by the House. Once those

awards move, the Commission will have zero funds in the bank for waterfront development projects. The CR currently in place will carry the government through March 18 and will result in funds for FFY 11 coming in limited, small amounts to the Commission's accounts. Staff will be in the process of drafting waterfront development awards however it is unlikely awards will move until the late spring or early summer. Ms. DeLong shared that staff was concerned the late receipt of funds would result in delays to several project construction starts in FFY 11.

Ms. DeLong reported that for road projects the TAC has identified \$13.2 million in projects. Staff would forward the recommendations to the Federal Co-Chair upon conclusion of the TAC meeting. Unlike the waterfront development, the roads program typically has significantly less non-federal match requirements. As was the case with waterfront projects, Ms. DeLong indicated that the Commission had limited roads funding in their accounts and would not be in a position to award projects until late spring or early summer. Staff expects construction delays for FFY 11 road projects as well.

Agenda Item 5: Prioritization of FY11 Waterfront & Roads Projects

Ms. DeLong discussed the staff proposal, from the waterfront memo, for prioritizing projects in FFY 11. Projects will be prioritized for award based on the following: construction readiness and securing the non-federal match required, followed by the project's overall score. Ms. DeLong indicated that even with limited funding, and funds arrive in small amounts, the Commission would not partially fund a project. Staff anticipate a total of 50-60 award actions for the FFY 11 waterfront and roads projects.

Mr. Neimeyer and Ms. DeLong discussed the status of the State of Alaska non-federal match funds. The Commission is working with the State to determine if the funds can be used for prioritized projects, and can be moved in time for the FFY 11 season and award issuance. Depending on when the funds are available it is possible that other non-federal match sources will need to be identified.

Agenda Item 7: Meeting Adjournment

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

The meeting adjourned at 1:00 p.m.