

KNIK ARM BRIDGE AND TOLL AUTHORITY
BOARD of DIRECTORS
ANNUAL MEETING MINUTES #3-05

Board of Directors' Annual Meeting, September 28, 2005, Atwood Building Room # 1860, Anchorage, Alaska.

The meeting progressed in accordance with the previously established and published agenda, which is attached and part of these minutes.

The meeting was duly noticed on September 20, 2005 in the legal section of both the "Anchorage Daily News," and the "Frontiersman" as public meeting notices.

Numbers in these minutes correspond with the numbers in the agenda.

Vice Chairman Darcie Salmon called the meeting to order at 1:35pm.

1. Roll Call by Vice Chairman Darcie Salmon

A quorum was established with four voting directors in attendance:

George Wuerch (via telephone from WDC), Dave Haugen, Gordon Keith, and Tom Boutin (via telephone from Juneau).

Also present: Board Member Representative Bill Stoltze; KABATA Staff Members Executive Director Henry Springer, Deputy Executive Director/Program Manager Darryl Jordan, and Director of Environmental and Regulatory Affairs Dale Paulson; and Project Counsels Jim Cantor, Chief Assistant Attorney General, and William Greene.

Recorder: Betty Fauber, KABATA Administrative Manager

There were 5 members of the public in attendance.

2. Approval of Agenda

Agenda was approved as presented.

Action #61-03-05.

Approved by unanimous vote.

3. Approval of Minutes from Meeting #2-05 (June 8, 2005)

With no additions or corrections noted, there was a MOTION by Haugen, second by Keith, to approve.

Action #62-3-05.

Approved by unanimous vote.

4. Chairman's Report

Vice Chairman Salmon presided; Chairman Wuerch was in WDC. Salmon stated that the SAFETEA-LU bill passed which included \$229 million for KABATA. He reported that the writing of the draft EIS is on schedule and the public review process of that document is being scheduled; financial analysis and legislative activities are being planned.

5. Executive Director's Report

Springer welcomed Edrie Vinson (FHWA/Juneau, project manager) and Elaine Somers (EPA/Seattle). He reported on progress made since the last meeting including completion of the scoping/screening process and fieldwork and the addition of two professional services contracts: Al Ewing and Associates, Program Services and Carter & Burgess, EIS Services. Springer stated that the draft EIS is scheduled to be issued the end of October to the FHWA for their review and release mid-November. .

6. Old Business

a. SAFETEA-LU Funding

Greene reported on project-specific funding in the SAFETEA-LU bill totaling \$229,425 million over a five-year period; funding to be authorized when appropriations are made.

b. Cost and Budget Report

Jordan stated that two new contracts were initiated since the last board meeting: Program Services awarded to Al Ewing & Company and EIS Services awarded to Carter & Burgess, and two amendments to the HDR, Inc. contract; all within the budget to complete the Environmental Impact Statement (EIS). An RFP for a Financial Advisor is currently posted on the ADOT&PF procurement system.

c. EIS Progress and Schedule

Paulson stated that the EIS process is on schedule and, using a PowerPoint presentation, reported the details of the alternative access routes chosen by the FHWA to be carried forward in the draft EIS.

d. Fieldwork and Design Development

Springer reported that all fieldwork studies have been completed with the exception of the beluga whale study, which was extended two months to provide important data needed for the regulatory and permitting process. Design concepts are being formulated so the data gathered during the fieldwork and traffic studies can be used to update criteria for funding. All studies are being well documented.

7. New Business

a. Traffic Analysis and Development

Springer requested Paulson report: Paulson stated that the intensive reconciliation of the AMATS and Mat-Su Borough traffic analysis systems is complete. Reports are currently being produced on immediate effects and future needs.

- b. Scoping Summary and Alternatives Report
Paulson reported on the FHWA scoping report document and advised that the Alternatives Report will be included in the draft EIS scheduled to be delivered to FHWA on October 24, 2005.

- c. CY 2006 Budget and FY 2007 Preview
Springer reported that the CY 2006 budget is on-track with no problems.

Springer stated that the FY 2007 budget would be similar to the FY 2006 budget. Springer requested an indication of support from the Board to the addition of two positions: a Chief Financial Officer (R25) and a Civil Engineer (Range 22). Keith stated that the caliber of engineer required for the project should be hired at a Range 24.

Action #63-03-05.

MOTION was made by Haugen, second by Keith, to add the two positions at Ranges 25 and 24 into the FY07 budget.

Approved by unanimous vote.

Springer reported the need for \$350,000 of Non-Par funds in order to continue project development in accordance with Federal-Aid and State regulations. Funds are needed for continued representation in Washington, DC, financial plans, land and real estate issues, and other expenditures.

Action #64-03-05.

MOTION was made by Haugen, second by Boutin, to request \$350,000 in Non-Par funds from State.

Approved by unanimous vote.

- d. Financing Plan and Schedule
Jordan reported that with Record of Decision anticipated in the Spring of 2007 financial plans for the next phase where being formulated before the design-build can be accomplished. Wilbur Smith will be providing traffic reports needed to develop toll estimates and forecast borrowable funding. Intermediate analysis will be done to satisfy FHWA of feasibility:

Wuerch stated a series of financial advisors, bankers, and consultants would be required to accomplish the analysis. Boutin urged contracting an independent financial advisor and offered Department of Revenue's financing experience to review proposals and help interviewing.

Springer asked for a resolution to hire a financial advisor to assist in the financing the project and the appropriate and efficient use of funding.

Resolution #1-05.

MOTION was made by Haugen, second by Wuerch, to authorize engaging the services of an independent financial advisor.

Approved by unanimous vote.

Springer requested a resolution to enable exploration and pursuance of financial mechanisms to become an independent operational unit. Wuerch stated the importance of the action and urged support. A finance plan package needs to be prepared to present to Legislature when they convene in January.

Resolution #2-05.

MOTION was made by Wuerch, second by Haugen, authorization to seek legislative involvement for financing and other purposes.

Approved by unanimous vote.

e. Delivery Systems

Springer stated that planning would begin pertaining to the methodology to make the project happen, physically, and set in motion in early 2006. Technical details such as time constraints to complete financial package and payment schedules, obtaining right-of-ways, land, and permits, audits, and cash flow are complex challenges that need to be incorporated into an innovative design-build plan.

f. Election of Vice President

KABATA By-Laws requires that the Vice Chairman be elected at the Annual Meeting. Presiding Officer Vice Chairman Salmon temporarily relinquished the floor to Greene so an election of the next Vice Chairman could be adjudicated.

Wuerch thanked Salmon for his two years serving as Vice Chairman and requested nominations from the Board.

Action #65-03-05.

MOTION was made by Wuerch, second by Haugen, to nominate Salmon.

Approved by unanimous vote.

Action #66-03-05.

MOTION was made by Boutin, second by Keith, to re-elect Salmon.

Approved by unanimous vote.

Salmon resumed chairing the meeting.

8. Board Members' Remarks

Keith stated he was looking forward to the challenge.

Haugen emphasized the importance of detailed documentation of data used to determine criteria.

Wuerch recognized the intensive efforts made by Edrie Vinson, the HDR team, and Dale Paulson for progress made in a short timeframe.

Salmon stated that a superb job is being done to make the "bridge to the future" a reality and that he's proud to be involved.

9. Public Comments

Comments from public attendees were heard. Salmon thanked them for their input and encouraged everyone to continue using the public scoping process to weigh-in on the project.

10. Announcements

Springer proposed that the next Board Meeting be held in Wasilla in early December 2005: all responded favorably. Board Members and the public will be notified of the details when scheduled.

11. Adjournment: 4:04pm

Action #67-3-05

MOTION by Wuerch, second by Haugen; vote unanimous.

Minutes Approved: Unanimous Board approval at December 15, 2005 Board Meeting.

Attest: *Heath Springer*

Date: 12-16-05