

KNIK ARM BRIDGE AND TOLL AUTHORITY
BOARD of DIRECTORS
MEETING MINUTES #5-04

Board of Directors' Meeting, December 15, 2004, Atwood Building Conference 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 December 7, 2004 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.

The meeting was called to order at 1:35 PM by Chairman George Wuerch.

1. Roll Call by Chair George Wuerch

A quorum was established with five voting directors in attendance:
Dave Haugen, Darcie Salmon, Deputy Commissioner of Revenue Tom Boutin via teleconference from Juneau, and DOT&PF Central Region Director Gordon Keith.

Also present: Board Members Representative Bill Stoltze, Executive Director Henry Springer, Sr. Assistant AG/Project Counsel Bill Greene, and Deputy Executive Director/Program Manager Darryl Jordan.

Recorder: Betty Fauber, KABATA

There were twelve members of the public in attendance.

2. Approval of Agenda

Agenda was approved as presented.

Action #51-5-04.

Approved by unanimous vote.

3. Approval of Minutes from Meeting #4-04 (October 14, 2004)

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

Action #52-5-04.

Approved by unanimous vote.

4. Chairman's Report

Wuerch thanked the Board for service to the project and stated that he would give his report as the specific topics arose up on the agenda.

5. Executive Director's Report

Springer reported on activities and progress made since the last meeting including the public meetings held in Anchorage and Wasilla, and aerial and road tours of the project area with FHWA. He stated that expanded tasks have been assigned to professional services contractors; over 60 presentations have now been made to organizations; that the Request of Proposal for the NEPA EIS, Permitting, and Preliminary Engineering contract for the post-NOI of NEPA process is on schedule; and, that the Clearwater Takas contract closed November 30, 2004 and the contracts with PND, HDR and URS will close on December 31, 2004. The beluga and fisheries research was extended to July 2005.

Springer reported that the three-day Cumulative Effects Assessment course he attended along with FHWA's Edrie Vinson and Dale Lewis was well done and informative.

6. Old Business

a. NOI Filing and Transition Report

Wuerch reported that as scheduled in the work plan KABATA filed a Notice of Intent (NOI) with the Federal Highway Administration (FHWA) on December 1, 2004 and that the Transition Report was received on schedule.

b. EIS Phase Funding and TEA-LU

Wuerch stated that sufficient funds are in place for the upcoming EIS phase. He also reported that the new Congress would begin work on the new TEA-LU Bill in January but that it would probably be July 2005 before they took action on the bill. Wuerch will travel to WDC in early February to continue efforts to secure construction funding with the understanding that maximum federal funding for toll projects is 80 percent.

c. Staffing

Springer stated that the two new managerial positions authorized by the Board at the last meeting have been filled. Darryl Jordan was hired as the Deputy Executive Director/Program Manager effective December 1, 2004 and Dale Paulson was hired as the Director of Regulatory and Environmental Affairs effective January 3, 2005 which brings the staffing level to five full-time employees plus our legal counsel.

d. Home Page Revisions

Fauber presented a PowerPoint preview of a portion of KABATA's web site that is currently being redesigned. The web address will be the same and the new pages should be on-line by the end of the year. Board Members will be advised the exact date so they can review it and report back with any comments, suggestions for additions or revisions.

e. Budget Report and Contract Close-Out

Springer reported that KABATA is operating within the approved budget. He also reported that the professional service contracts were in the process of closing and the three Washington, DC contracts using non-participating funds have been extended through 2005 as approved by board on August 5, 2004.

7. New Business

a. New Consultant Contract Status

Jordan stated that the process is on schedule to secure a professional services contractor for the NEPA EIS, permitting, and preliminary engineering. Negotiations have begun with HDR Alaska, Inc. and the contract should be in place effective January 1, 2005. A Kick-Off meeting is scheduled for January 18, 2005.

b. Financial Plan/Resolution #6-04

Wuerch asked for approval of Resolution #6-04: Authorizing Use of Financial Advisors and Consultants. He stated that the request is timely because preparation of a financial plan could take up to six months. In answer to Haugen's question about cost, Boutin stated that the State's financial advisor could be used and that the toll road feasibility study consultant would be a low six-figure contract. Wuerch stated that the contract would be paid using federal funds already secured. Wuerch stated that a comprehensive package planned by qualified people is needed and that when completed it will be presented to the Board for review and approval.

There was a MOTION made by Haugen, second by Salmon, for a discussion after which the Board took

RESOLUTION #6-04 under consideration. The resolution was approved by unanimous vote.

c. Annual Report/Legislative Update

Wuerch advised that the 2004 Annual Report is being prepared and is on schedule to present to the Governor and Legislature by third day of session as required.

Also, Wuerch and Greene will travel to Juneau mid-January to update legislators on the project's progress and future funding needs.

d. Kick-Off Meeting Preparations

Springer outlined the agenda for the new contract's Kick-Off meeting scheduled for January 18, 2005. Highlights are an explanation of KABATA's expectations, identification of functions, examination of work flow, analysis of successes and need for improvement from previous contract work, and development of a schedule for accomplishments.

Wuerch invited Board and FHWA to attend.

e. FHWA General Counsel Opinion of October 15, 2004

Wuerch stated that the Opinion may or may not have ramifications on the project so he asked Greene to present a review. Greene stated that the Opinion points to the vital importance of outlining reasonable alternatives in the Purpose and Need Statement that guides the NEPA process. Greene stated that the need for tolling and economical needs could be used in the Purpose and Need Statement.

8. Board Members' Remarks

Chairman Wuerch thanked the three consulting firms, PND, HDR, and URS, for their good work. He stated his pride in having a consolidated Alaskan team; that is good for the economy and the state.

Vice Chair Salmon stated his appreciation of the very informative presentations made at this meeting. He reported that he gave a report of the project at the Mat-Su Resource Conservation and Development Council's Annual Meeting and found the industry to be upbeat about this project being a part of the 360-degree "roads to resources."

Haugen stated is appreciation to the staff for actively moving the project forward.

Keith welcomed Darryl Jordan a state employee and is looking forward to meeting Dale Paulson. He recognized the good qualities of the team.

Representative Stoltze recognized that the KABATA team is on focus and on schedule. He is excited about the Legislatures Transportation Committee having two Mat-Su members and encouraged the board to bring those members up-to-date about the project.

Boutin thanked the Board for the opportunity to join the meeting telephonically.

9. Public Comments

As requested by Wuerch, the public attendees introduced themselves and referenced their affiliation. Paul Laverty requested that copies of resolutions being discussed be available to the public prior to the meeting.

10. Announcements

Salmon suggested holding the next Board meeting be held in Juneau at which time KABATA could also schedule meetings with Legislators to give them a progress report; all responded favorably. Wuerch said the date would be set after the Kick-Off meeting on January 18, 2005. Board Members and the public will be notified as to the exact details when scheduled.

11. Adjournment: 3:10 PM

Action #53-5-04

MOTION by Salmon, second by Haugen; vote unanimous.

Minutes Approved: Unanimous Board approval at March 23, 2005 Board Meeting.

Attest: Kimberly Spry

Date: 4/6/05