

KNIK ARM BRIDGE AND TOLL AUTHORITY
SPECIAL BOARD of DIRECTORS
MEETING MINUTES #4-06

Special Board of Directors' Meeting, October 26, 2006, Atwood Building, Room 1850, 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 October 18, 2006 in the legal section of the "Anchorage Daily News," and on October 20 in the "Frontiersman," as public meeting notices. Also noticed on the KABATA Home Page and on the State Online Public Notice System.

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

Chairman George Wuerch called the meeting to order at 11:35am.

1. Roll Call by Chairman Wuerch

A quorum was established with five voting directors in attendance:

George Wuerch, Vice Chairman Darcie Salmon (via teleconference), Dave Haugen, Gordon Keith, and Tom Boutin.

Also present: KABATA Staff Members Executive Director Henry Springer and Chief Engineer Verne Geidl; also Project Counsels Chief Assistant Attorney General Jim Cantor and William Greene.

Wuerch welcomed observers.

Recorder: Betty Fauber, KABATA Administrative Director.

There were 7 members of the public in attendance.

2. Approval of Agenda

The Agenda was approved as presented.

3. Request for Public Records

Wuerch stated that a request was received for the records from the June 7, 2006 Executive Session, which were sealed for five years during that board meeting. In preparation for an informed decision whether to release those records or not, Wuerch asked the board members if they had reviewed the seven-page packet containing four pages of discussion points, two spreadsheets, and one floor plan that had been distributed to the board members and then retrieved during that meeting. By roll call, the following answered affirmatively: Wuerch, Haugen, Boutin, Keith; Salmon stated he recalled the contents of the packet.

Wuerch stated that his concern in releasing the records was that personnel matters discussed might adversely affect an individual or group. Wuerch asked if there was any discussion; hearing none a roll-call vote was taken to authorize release of the seven-page packet. The following board members voted affirmatively: Boutin, Keith, Haugen, Wuerch, Salmon.

Wuerch stated that the packet will be released and copies will be provided to those who request them.

Wuerch asked Greene about releasing of the tape recording of the June 6, 2006 Executive Session. Greene recommended that the recording be reviewed to determine if portions dealing with personnel matters may need to be redacted and the board members consider release after that review. Haugen stated that it has been his experience that portions dealing with performance evaluations should be reviewed for possible redaction. Keith stated that his recollection that portions might need to be redacted and that would not take away from the remaining recording.

Wuerch asked Boutin about his experience with other similar state-related Boards of which he is a member; Boutin stated that performance and salary review are handled in the same manner as was KABATAs.

Wuerch asked the board approve of Greene's advice to review the recording. There was a

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MOTION made by Haugen, second by Salmon, to request that Greene review the recording of the June 7, 2006 Executive Session currently in the custodianship of the Administrative Director and to advise the board at the next board meeting.

Greene stated that he would review the recording with full disclosure in mind.

By roll call the Board voted unanimously to approve Greene's review of the recording.

4. Employee Compensation

Springer stated that a letter from Representatives Gruenberg and Gara had been received requesting that the board reconsider its action taken at the June 7, 2006 board meeting to regarding salary increases. A copy of an article from the Alaska Journal of Commerce was distributed.

Boutin stated, as a matter of clarification, that some of the other state authorities' salaries listed in a recent Alaska Journal of Commerce article are higher than listed. Springer stated that the recommendation in the June 7, 2006 Executive Session packet were not performance-based; they are industry standard using similar comparative data analyzed to use as a base. Keith stated that KABATA is on the verge of a ROD

in record time, which is a major accomplishment, and that a lot of work, effort and successes have gone on.

Boutin inquired as to the total amount of the salary increases; Springer said it was approximately \$200,000 including new hires. Wuerch stated that the amount was approximately \$126,000 and stated that Hemenway had sustained a reduction from being a contractor.

Wuerch extended an invitation to the observers for comments. Senator Ellis thanked the board for the opportunity to speak stating that he had received many emails on the pay raise issue; he respectfully requested the board reverse their action. Darcy Dugan, staff member from Representative Gara's office submitted a written comment similar in content. Melinda Gant stated that executives needed to be rewarded and that the review for compensation would have been justified had it been done by outside analysis at such time contracts had been awarded.

5. Adjournment: 12:04pm.

Minutes Approved: Unanimous Board approval at November 29, 2006 Board Meeting.

Attest: *Keith Springer*

Date: 12-1-06