

MVP for Transportation MPO Policy Board Meeting

Representatives:

Bob Charles – Knik Tribe (**Secretary**)
Edna DeVries, Mayor - MSB
Glenda Ledford, Mayor – City of Wasilla (**Chair**)
Brian Winnestaffer - Chickaloon Native Village
Mike Brown - MSB
Sean Holland - DOT&PF (**Treasurer**)
Steve Carrington, Mayor – City of Palmer (**Vice Chair**)



Microsoft Teams meeting

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+1 605-937-6140 (U.S. Sioux Falls)

(844) 594-6237 (toll-free)

Phone Conference ID: 959 952 654#

Agenda

Tuesday, November 19th, 2024

Meeting Location

Musk Ox Farm
12850 E Archie Road, Palmer Alaska 99645
Hayloft / Classroom

1. Meeting called to order
2. Introduction of Members and Attendees
3. Consent Agenda
 - a. Approval of the November 19th, 2024, Agenda – (**Action Item**)
 - b. Approval of the September 17th, 2024, Minutes – (**Action Item**)
 - c. Committee/Working Group Reports (Including the Chair's Report)
 - i. Staff Report
 - Transit roundtable
 - Schedule of Topics
 - d. Treasurer's/Finance Report
4. Voices of the Visitors (Non-Action Items)
5. Action Items
 - a. Proxy Voting/Bylaws Amendment Proposal (**Action Item**)
 - b. MVP Personnel Policies (**Action Item**)
 - c. MVP Records Retention, Public Records Request and Website Policy (**Action Item**)
- Executive Session
 - a. MVP Coordinator Evaluation
 - b. Staffing Plan Discussion
6. Old Business
 - a. Memorandum of Agreement (MOA) – MVP and MSB
 - b. Membership Dues – Draft Invoices
 - c. Metropolitan Transportation Plan (MTP) Update – Presented by Adam Bradway, Alaska DOT&PF
7. New Business
8. Other Issues

MVP for Transportation MPO Policy Board Meeting

9. Informational Items

- a. Non-Profit Organization Paperwork Update
- b. Statewide Transportation Improvement Program (STIP) Amendment #1 Federal Planning Findings, Response and Requests for More Information Alaska DOT&PF to FHWA, and FHWA Response.
- c. Public Transit Update – Presented by Maija Disalvo, MSB.
- d. Safe Streets for All – Presented by Joni Wilm, Michael Baker

10. Policy Board Comments

11. Adjournment

Next Scheduled MPO Policy Board Meeting – **December 17th**, from 2:00pm-3:30pm to be held at the Musk Ox Farm and Microsoft TEAMS.



MatSu Valley Planning (MVP) for Transportation
Metropolitan Planning Organization

MVP For Transportation Policy Board

Action Items

November 19th, 2024

Action: Motion to approve the November 19th Consent Agenda.

The Consent Agenda includes:

- Agenda for the November 19th meeting,
- Minutes from the September 17th meeting, and
- Staff report for October and November. (ask for a staff report if you want to hear staff highlights from the past month)

MOTION:

Yes

No

Abstain

Action: Motion to Amend the Proxy Voting guidelines in the Bylaws as presented by MVP project team

MOTION:

Yes

No

Abstain

Staff report: To ensure the Board of Directors upholds their fiduciary and governance duties to MVP for Transportation while providing guidance to Proxy Voters on matters related to projects, plans, and programs, Staff proposed the following edit to Proxy Voting in the Bylaws:

Proxy Voting Proposal. *If a Policy Board member cannot attend the regularly scheduled meeting, they may appoint a Technical Committee member from their organization to serve as their proxy. The Policy Board members must notify the MVP Executive Director and Secretary of their proxy designation and send their written vote on Action Items specific to governance of the non-profit organization, including items related to organizational policy, personnel, and financial actions, 24 hours before the meeting. The proxy must abstain if amendments or changes are made to organizational actions that change the tone or original intent of the action, unless the change or amendment improves the effectiveness or efficiency of the proposed action or activity. The proxy voter may vote for their organization's perspective on Action Items related to plans, projects, and programs.*

Policy Board members “may freely revoke a proxy’s authority at any time, in their sole discretion” to communicate that appointing a proxy does not prevent a Policy Board member from changing their mind and voting on their own behalf with respect to a matter.

In the event a Policy Board member opts to use a proxy under the policy, they remain responsible and potentially liable for the decisions of the proxy (assuming the proxy has not gone beyond their authority) on their behalf.



Action: Motion to Approve the MVP for Transportation Personnel Policies as presented

- Motion
- Yes
- No
- Abstain

Staff report: Personnel policies are formal guidelines and rules established by an organization to manage its workforce. These policies set the framework for how employees are hired, managed, evaluated, and treated throughout their employment. They help ensure consistency, fairness, and compliance with legal requirements, while also supporting the organization’s overall objectives and culture.

The draft policy was developed after reviewing multiple non-profit, MPO, and local government personnel policies. 40 comments were received on the draft personnel policy. Each comment was reviewed and responded to as shown in the comment response log. The general sentiment by the MSB HR department was that one area of the policy needed clarification- the equal employment / anti-discrimination section. This section was reorganized. The MSB HR department also flagged two other areas too generous- the insurance cost share and the holiday schedule. The other comments were administrative corrections/suggestions and were amended as reasonable.

MVP will receive most of its funding from the federal government. Federal funds come with additional non-discrimination requirements. MVP’s personnel policy was drafted with this in mind. Additionally, attracting and retaining qualified staff will be a hurdle for MVP as experienced long-range planners are in high demand in Alaska as seen with the real challenges the MSB, AMATS, and the City of Wasilla, has had attracting qualified applicants. Since MVP will not have the ability to pay the wages of an engineering firm, or offer the retirement benefits of a government, the project team made the decision to offer a competitive insurance split, and to offer the week between Christmas and New Years off as benefits because these two benefits are good for families, will help attract staff, will not cause MVP a financial hardship or impact workflow.

After discussions with Knik Tribe about the personnel policy, professional development and harvest/subsistence leave was added to the policy.

Action: Motion to Approve MVP Records Retention, Public Information Request, and Website Policy as presented (Action Item)

- Motion
- Yes
- No
- Abstain

Staff report: This administrative policy outlines how MVP will retain records, manage public information requests, and what documents we will provide on the website. The Project team consulted with an attorney to make sure the public information request policy complies with federal and state law.

MVP for Transportation MPO Policy Board Meeting

Representatives:

Bob Charles – Knik Tribe
Edna DeVries, Mayor - MSB
Glenda Ledford, Mayor – City of Wasilla
Brian Winnestaffer - Chickaloon Native Village
Mike Brown - MSB
Sean Holland - DOT&PF
Steve Carrington, Mayor – City of Palmer



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Minutes

Tuesday, September 17th, 2024

2:00-3:30pm

Meeting Location

Musk Ox Farm
12850 E Archie Road, Palmer Alaska 99645
Hayloft / Classroom

A. Meeting called to order

The meeting was called to order with a quorum at 2:00pm.

B. Introduction of Members and Attendees

Members Present

Brian Winnestaffer, Chickaloon Native Village
Glenda Ledford, City of Wasilla
Alex Strawn for Edna DeVries, MSB
Steve Carrington, City of Palmer
Sean Holland, Alaska DOT&PF

Members Absent

Edna DeVries, MSB
Mike Brown, MSB
Bob Charles, Knik Tribe

Visitors Present

Kim Sollien, MPO Coordinator
Elise Blocker, RESPEC
Adam Bradway, Alaska DOT&PF
LaMarr Anderson, Resident Observer
Donna Gardino, Gardino Consulting Services
Megan Flory, RESPEC
Sheena Fort, Resident Observer
Sharon Johnson, AK Legislature
Clint Adler, Alaska DOT&PF
Kaylan Wade, Chickaloon Native Village
Ben White, Alaska DOT&PF
Luke Bowland, Alaska DOT&PF
Marie Heidemann, FHWA
Jennifer Busch, Public Transit
John Linnell, Alaska DOT&PF
Erich Schaal, City of Wasilla
Julie Jenkins, FHWA

MVP for Transportation MPO Policy Board Meeting

C. Approval of the September 17th, 2024, Agenda – (Action Item)

Motion to approve the September 17th, 2024, Agenda (Winnestaffer), seconded. Motion passes.

D. Approval of the August 20th, 2024, Minutes – (Action Item)

Motion to approve the August 20th, 2024, Minutes (Winnestaffer), seconded. Motion passes.

E. Committee/Working Group Reports (Including the Staff Report)

1. Staff Report

i. Schedule of Topics

Kim Sollien provided a staff report. The meeting packet includes staff reports and potential motions for all action items, as well as written staff reports for August and September. Kim Sollien attended the quarterly MPO meeting, which was focused on the Alaska DOT&PF 3C Policy and STIP development process. Kim Sollien and Donna Gardino met with Marie Heidemann and Sandra Garcia-Aline from FHWA to discuss MVP's development.

Kim Sollien informed the Policy Board that the bylaws can be changed at any meeting so long as there is public notice prior to the meeting. Kim Sollien shared concerns that Policy Board members had raised regarding the proxy voting policy and suggested that the policy should be reviewed at a future meeting.

The UPWP was submitted to FHWA via Alaska DOT&PF. It was approved by FHWA. Kim Sollien made an administrative change to the UPWP prior to submission.

Kim Sollien has been researching personnel policies to prepare for MVP to hire staff.

MVP will soon be an independent organization, rather than reliant on FAST Planning as a fiscal sponsor. The Policy Board will need to hire an executive director. Kim Sollien requested a performance evaluation from the Policy Board in preparation for this transition.

F. Voices of the Visitors (Non-Action Items)

None

G. Old Business

1. Alaska DOT&PF Commissioner Letter to FHWA and FTA and Continuing, Cooperative, and Comprehensive (3C) Policy

Kim Sollien provided a short staff report. The MPO directors and Alaska DOT&PF staff discussed the 3C Policy at the quarterly MPO meeting. Alaska DOT&PF submitted the 3C Policy with STIP Amendment #1 to address a corrective action from FHWA and FTA. The Policy is still in draft form and there are outstanding comments from MVP related to the submitted draft. The Policy is still in development and communication between MPOs and DOT&PF is ongoing.

2. Statewide Transportation Improvement Plan (STIP) MVP Comments and Responses

Kim Sollien provided a staff report. MVP staff reviewed the STIP Amendment #1 submission and letter from Commissioner Anderson and created a table documenting whether corrections from MVP were addressed in STIP Amendment #1. There are several issues remaining in STIP Amendment #1 regarding MVP's funding and projects. Kim Sollien and Donna Gardino summarized the table included in the packet.

MVP for Transportation MPO Policy Board Meeting

Sean Holland asked Adam Bradway whether changes to the Program of Projects need to be reflected in the STIP, given that the Program is included in the STIP by reference. Adam Bradway said that the Program is an interim solution to include MVP's projects. It is not required to be included in the STIP but Alaska DOT&PF should be using the most recent approved Program to inform the STIP. Sean Holland stated he is concerned about the "stacking processes" that are needed to deliver projects. This should be resolved when MVP develops a TIP.

3. **Statewide Transportation Improvement Plan (STIP) Amendment #1 Update**

• **Alaska DOT&PF STIP Website**

<https://dot.alaska.gov/stwdplng/cip/stip/>

Ben White gave a staff report. The STIP Amendment #1 was submitted to FHWA and FTA on August 28, 2024, for approval. The federal agencies have 30 days to review and provide comments. Once the approval process is completed, Alaska DOT&PF can begin the process to move projects forward. The STIP is constantly being revised and STIP Amendment #2 is likely already underway.

H. **New Business**

1. **Membership Dues Overview and Request**

Kim Sollien summarized the Memorandum of Understanding for the Operation of the MatSu Valley Planning for Transportation Office, which is included in the packet. Kim Sollien specifically reviewed the proposed dues calculations that were approved September 19, 2023. Invoices will be sent to membership organizations once MVP is fully formed and has a bank account. Kim Sollien suggested revising the dues calculations for FY26 to provide sufficient funding to the organization.

2. **Planning Requirements for Road Miles and Match Percentages – Pavement Management Plan, Sign Management Plan, and Streetlight Intersection Management Plan.**

Adam Bradway described the draft proposal for funding the asset management plans included in the UPWP. Adam Bradway used GIS to calculate the miles of roads managed by each MVP member organization. This mileage could be used to calculate how much each member organization contributes to match funding for the asset management plans.

3. **Personnel Policies review**

Kim Sollien provided a staff report on the Personnel Policies, which covers all the policies related to MVP staff. The Technical Committee has not reviewed the Personnel Policies as it is not a technical document. Kim Sollien will share the draft with the Policy Board as a Word document for review.

4. **3-Year Annual Budget (Action Item)**

Motion to approve the 3-Year Annual Budget as presented (Winnestaffer), seconded. Motion passes.

Kim Sollien presented a staff report. Kim Sollien has been consulting with Toby Smith, a CPA Controller Consultant with Foraker Group, to develop this budget. The presented budget is a more detailed version of the UPWP budget. Kim Sollien reviewed FAST Planning's recently approved budget for reference. The budget reflects increases of roughly 4% in FY26 and FY27 to accommodate inflation, cost of living increases, and so on. The budget and revenue tables are included in the packet.

MVP for Transportation MPO Policy Board Meeting

5. **Administrative Policy review**

Kim Sollien provided a summary of the Record Retention, Public Records Request, and Website Policy, which is included in the packet. Kim Sollien invited the Policy Board to provide comments on the Policy before the next meeting.

6. **Letter of Support for Knik Tribe for the Talkeetna Spur Road Culvert Replacement grant proposal (Action Item)**

*Motion to recommend the Policy Board approve and send the letter of support included in the packet (**Winnestaffer**), seconded.*

Kim Sollien provided a staff report. Knik Tribe is partnering with Alaska DOT&PF to apply for a federal grant for a culvert replacement along Talkeetna Spur Road to protect salmon habitat. The Tribe has requested a letter of support from MVP. A draft letter is included in the packet.

I. **Other Issues**

None.

J. **Informational Items**

1. **Articles Of Incorporation/Non-Profit Organization Paperwork Update**

The paperwork will be filed with the State of Alaska in the next few days.

2. **FHWA – UPWP Letter of Approval**

The UPWP was approved by FHWA. The letter of approval is included in the packet.

K. **Policy Board Comments**

Sean Holland noted that MVP has hit several milestones this month and praised Kim Sollien for her work to move MVP in the right direction.

Glenda Ledford said that the Policy Board is a good, cohesive working group and that Kim Sollien does an excellent job.

L. **Adjournment**

Meeting adjourned at 2:59pm.

Next Scheduled MPO Policy Board Meeting – **October 15th**, to be held via Microsoft TEAMS Meeting

MatSu Valley Planning (MVP) for Transportation
Metropolitan Planning Organization

MVP For Transportation Technical Committee

Action Items

October 8th and November 12th, 2024

October 8th

Action: Motion to approve the October 8th Consent Agenda

Motion to approve the October 8, 2024, Agenda and September 10, 2024, Minutes (Winnestaffer).

Passed, none opposed.

Motion to approve the Consent Agenda (Winnestaffer) and seconded. No objection to approving the Consent Agenda.

Motion to move Technical Committee Staff Report separate from the Consent Agenda (Winnestaffer), seconded. Aye 6, Nay 7, Absent 3. Motion failed.

Action: Motion to recommend the Policy Board approve the Proxy Voting amendment

Motion to recommend the Policy Board adopt the language on page 15 of the packet labeled "MVP Staff Proxy Voting Proposal." (Bradway) no second. Motion dropped.

Motion to recommend Policy Board remove proxy voting from the bylaws. (Winnestaffer) seconded. Motion withdrawn.

Motion to take no action and allow the Policy Board to make a determination internally. (Leidner) seconded. None opposed, motion passed.

November 12th

Action: Motion to approve the November 12th Consent Agenda

MOTION to approve the consent agenda as presented (Winnestaffer), motion passed

Action: Motion to Recommend the Policy Board approve the Memorandum of Agreement between MVP for Transportation and the Matanuska- Susitna Borough for access to the Legislative Grant funding

Motion to postpone to the following meeting (Winnestaffer), motion passed



Staff Report October 2024

Meetings

- Met with the Foraker Group CPA and Contract manager to review a contract for CPA services for MVP
- Attended the MSB's Safe Streets for All stakeholder meeting to hear the Survey Results and next steps in developing the draft strategic plan to reduce incidences of accidents on regional roadways
- Prepped packet materials for the TC meeting
- Attended ADOT's Tribal Coordination meeting with Knik Tribe, Chickaloon Native Village, and Native Village of Eklutna.
- Met with FHWA to talk about the vision for the Peer exchange and to share what MVP would like to see/learn from other MPO's
- Met with a Mat-Su Health Foundation Consultant to discuss if MVP could facilitate quarterly Transit Provider meetings
- Met with FAST and AMATS to discuss the Peer exchange
- Attended a Crisis Response Team meeting facilitated by the Mat-Su Health Foundation to discuss how enhanced public transit is necessary for access to services and care for the region's most vulnerable residents
- Met with the Project Team to discuss issues, develop agendas and review TC and PB packet information
- Requested one-on-one meetings with Policy Board members to discuss Proxy voting, Personnel Policies, and staffing issues and decisions

Correspondence

- Received Comments on MVP's Personnel Policy from the MSB HR Director
- Received MVP's DRAFT 501c3 filing from the Attorney
- Reviewed feedback from the Attorney that the Proxy Voting Amendment confirming the draft guidelines on what the proxy can vote independently on and what the Board member needed to retain authority on was appropriate.
- Sent ADOT&PF the list of projects within MVP's Improvement program submitted by the MSB and the Cities and requested scope schedule and estimates for each
- Completed a FHWA survey on how to include priority populations and ensure equity in MVP's planning processes

Filing

- MVP's 501c3 filing was submitted to the IRS the first week of October.
- On October 30th, we received notification that the IRS had awarded MVP for Transportation 501c3 status. YAY



Staff Report October 2024

Organization

- Reviewed the MSB HR director's comments on MVP's Personnel Policy and created a comment and response log to clarify MVP's proposal and reasoning
- Reviewed additional State and Federal labor law information
- Reviewed other organizational personnel policies
- Reviewed the 501c3 filing paperwork and sent comments to the Attorney
- Updated TC packet and PB Packet
- Drafted the MOU between the MSB and MVP for the State of Alaska Membership fees
- Organized the MSB, COP and COW improvement projects list for FFY 25 and an email to ADOT requesting Scope, Schedule and Estimates for each project.
- Review and edited ED, Transportation Planner, and Officer/Communications manager job descriptions
- Drafted a self-evaluation of my performance based on the coordinator job description to review with the policy board
- Drafted invoices for Membership Dues for each Policy Member

Public Outreach

Agency Relationships

Requests from the Policy Board and Technical Committee directed to staff

- TC postponed the Proxy Voting amendment, requesting staff bring the discussion to PB for them to decide on how to structure proxy voting and to give clearer guidance to the TC members

Strategic Planning

Short-Range and Tactical Planning

Long-Range Planning

Funding

- Worked with ADOT to reformat staff reports to match the UPWP tasks. November staff report will look different but will specifically document tasks outlined in the UPWP

Legislation

Training



Staff Report November 2024

FFY25/26 UPWP Tasks

TASK 100 A UPWP

- Created a new staff report format that follows the UPWP TASKS
- Outlined the Final Report for the FFY24 UPWP

Task 100 B Metropolitan Transportation Plan

- Two qualified firms were selected from the MTP RFP call. A consulting team was selected as the top scoring applicant and the ADOT is in consultation with the firm.

TIP Scoring Criteria

Complete Streets Policy

Task 100 C TransCad Modeling

TASK 100 D Household Travel Survey

TASK 100 E Transportation Improvement Program

TASK 100 F Update and Implementation of the Public Participation Plan and Title VI Plan

TASK 100 G Support Services

Budget Management

Meetings

- Met with Mayor Ledford to review proxy voting, personnel policies, and staffing issues
- Met with Brian Winnestaffer to review proxy voting, personnel policies, and staffing issues
- Scheduled a meeting with Sean Holland and Ben White to review proxy voting, personnel policies, and staffing issues
- Scheduled a meeting with Mayor DeVries and Mike Brown to review proxy voting, personnel policies, and staffing issues
- Scheduled a meeting with Bob Charles to review proxy voting, personnel policies, and staffing issues
- Met with the Project Team to prep for the TC and PB meeting



Staff Report November 2024

- Met with FHWA Peer Exchange Committee to review the agenda for the MPO / DOT peer exchange
- Met with ADOT for a work session on federal funding specific to MPO's

Correspondence

Nonprofit Filings and reports

Agency Relationships

Contract Management

- Met with RESPEC and the project team to discuss support needs and how best to utilize the remaining funding in the MSB / RESPEC contract. MVP may need to retain RESPEC for support services after this quarter so we are exploring options

Requests from the Policy Board and Technical Committee directed to staff

Strategic Planning

Short-Range and Tactical Planning

Long-Range Planning

Funding

Training

TASK 200 A MSB Public Transit Planning Support

- Met with Transit Providers including Sunshine Transit, Chickaloon Transit, Mat-Su Senior Services and Valley Transit to discuss if MVP could host regular transit stakeholder roundtable meetings
- Met with the MSB project team to discuss the Scope of Services the MSB is developing for the FFY25 transit program contract

TASK 200 B Transit Development Plan

TASK 300 A MVP Sign Management Plan

TASK 300 B MVP Advanced Project Definition



Staff Report November 2024

TASK 300 C MVP Streetlight and Intersection Management Plan

TASK 300 D Pavement Asset Management Plan

MVP MPO Meeting Schedule Topics

May 2024

- Articles of Incorporation Restated PB approved and signed
- STIP Program of Projects Work Session
- Ready to receive Federal Operation Funding – Spring 2024
- Recommend the updated Title VI plan for Public Comment
- Approve Metropolitan Transportation Plan scope of work
- Elect TC officers

June 2024

- TC Recommend and PB Approval of MVP program of projects STIP amendment for funding in FF24 and FFY25
- Review and Approve 3C's comments memo
- Review and Approve Proxy Voting change to the bylaws
- Recommend FY25 & FY26 UPWP for 30-day public comment June 19 to July 19
- Review and Adopt PM program policy for the P&P

July 2024

- 2nd Review Fiscal Policy
- 2nd Review social media Policy
- Review Bylaw changes
 - Proxy voting
 - Open Meetings Act
- Draft SS-4 to IRS for EIN
 - Conflict of interest
 - Officers & election minutes
 - Whistleblower Policy
- AOI resubmission
- STIP Amendment Update
- Program of Projects Update move everything to FFY2025
- Update the FFY25/26 UPWP
- Review FY 25 & 26 PL award letter, make necessary amendments to the budget

August 2024

- ADOT request match Funds from MSB for the MTP and PL funding
- Review and Adopt Fiscal Policy
- Review and Adopt Social Media Policy
- Review and Approve Updated Bylaws
- Review and Adopt Whistleblower Policy
- Review and Adopt Conflict of interest Certification form

MVP TC & PB meeting topics
schedule November 2024

- Review and Approve Title VI plan
- Review and Approve FFY 25 and 26 UPWP, send to DOT to forward to FHWA for approval
- Review and Approve Fiscal Policy

September 2024

- Review and Adopt Annual Budget
- Review Match requirements
- Secure Foraker CPA for Accounting support
- Research Health Plans
- Research payroll services
- Research liability insurance
- Update website with approved MVP organizational documents

October 2024

- MSB CAMP presentation Julie Spackman
- Finalize scope for Metropolitan Transportation Plan
- Call ADOT about the status of the MVP improvement program Scope, Schedule, and Budget Plus for project state and ask for match and maintenance agreements (create a presentation of the projects)
- Review and Submit SS-4 to IRS for EIN and submit with
 - Three-year annual budget
 - Officers' information and elections memo
 - Conflict of Interest policy
- IRS Letter received-

November 2024

- Review and Approve Personnel and Administrative Policies
- Hire Executive Director
- Send scope of work, schedule and estimate request to ADOT for Pavement, Streetlight, Intersection and Sign management plans
- Share Membership fee Invoiced with TC and PB Members
- Complete descriptions for MVP staff positions Office and Communicaitons Manager, Transportation Planning Manager, Transit Planning Manager and GIS/Data Analyst (contractor)
- Finalize Reporting Calendar UPWP, Title VI, Staff, Finance, Minutes, Public Notices
- Attend ADOT Federal Funding Overview Work Session
- Secure MTP consultant
- Secure IT consultant
- Secure Accounting Consultant
- Draft and Submit final report for the FFY 2024 UPWP

December 2024

MVP TC & PB meeting topics
schedule November 2024

- Review and Approve MOA between MVP and the MSB for the States membership fees
- Send Invoices to PB members for Membership Fees
- Obtain office space
- Apply for State and City Business Licenses
- Open Bank account with \$1
- Advertise Staff positions and Open MVP Office
- Review and Adopt Updated Public Participation Plan
- Grandfather agreements with ADOT&PF
- Review and Approve the ADOT performance-based approaches criteria to incorporate into our planning as required in 23 CFR 450.306(d). ADOT&PF will provide the MOU to MVP about the targets that we can accept or choose to adopt our own.
- Hire Staff
- Draft scope of services for the Audit and 990 filing
- Policy Board adopts Corporate Resolution to open a bank account
- Review Recommend the Public Participation Plan Update for Public Comment 45-day

January 2025

- Update the PPP
- Begin MTP, Household Survey, and Travel Model
- File Form IRS 941 and 940

February 2025

- CRP plan review the was developed outside of consultation with the MPOs/ MVP priorities
- CMAQ funding review
- TIP Funding Policy to Technical Committee and Policy Board

March 2025

- Household travel Survey

April 2025

May 2025

June 2025

July 2025

August 2025

September 2025

October 2025

November 2025

December 2025

MVP TC & PB meeting topics
schedule November 2024

- Travel Demand Model

January 2026

- Performance measures

July 2026

- MTP and Complete Streets Completion

October 2026

- TIP Completion

December 2026

- New MPOs should have a formally adopted MTP and TIP by **December 29, 2026**



Bylaws Update on Proxy Voting 9.26.2024 (presented to the Technical Committee at the October meeting)

Although Alaska Law allows Proxy Voting, the “general rule” is that a nonprofit board member may not vote by proxy because those with a fiduciary duty (MVP Policy Board Members) may not delegate that duty to another.

An Assembly or City Council Member is not allowed to vote by Proxy. A nonprofit board member has the same level of duty to the nonprofit organization.

Nonprofit board members have a fiduciary and governance responsibility to act in the best interest of the organization they serve (MVP for Transportation); proxy voters do not have the same level of responsibility and cannot be held accountable for their decisions.

Risks of Allowing Proxy Voting for Corporation Business

1. **Reduced Oversight:** Proxy voting may lead to less active participation from directors, diminishing their ability to oversee financial matters effectively. This lack of engagement can result in poor financial decisions.
2. **Limited Informed Decision-Making:** Proxy voters may not have all the context or details necessary to make sound financial decisions, increasing the risk of financial mismanagement.
3. **Lack of Accountability:** If directors delegate their voting power, it can obscure accountability. It becomes difficult to trace financial decisions back to specific individuals, which can hinder responsibility and oversight.
4. **Potential for Misaligned Interests:** Proxy votes may be cast by individuals who do not have the same commitment to the nonprofit’s financial health, leading to decisions that prioritize personal interests over the organization’s needs.
5. **Compromised Governance:** The board may struggle to maintain strong governance if proxy voting becomes commonplace, which can weaken the organization’s overall financial stability and integrity.

Existing language in the Bylaws approved in August 2024

Proxy Voting. If a Policy Board member cannot attend the regularly scheduled meeting, they may send their written vote on all action items to the Secretary and the MVP Executive Director 24 hours in advance of the meeting. A Technical Committee (TC) member of the representing organization can serve



as a proxy voter for the Policy Board member if designated in writing by the Policy Board member. The TC member will count toward the quorum.

Proposed bylaw changes for discussion

MVP staff suggested change

Proxy Voting Proposal. If a Policy Board member cannot attend the regularly scheduled meeting, they may appoint a Technical Committee member from their organization to serve as their proxy. The Policy Board members must notify the MVP Executive Director and Secretary of their proxy designation and send their written vote on Action Items specific to governance of the non-profit organization, including items related to organizational policy, personnel, and financial actions, 24 hours before the meeting. The proxy must abstain if amendments or changes are made to organizational actions that change the tone or original intent of the action, unless the change or amendment improves the effectiveness or efficiency of the proposed action or activity. The proxy voter may vote for their organization's perspective on Action Items related to plans, projects, and programs.

Policy Board members “may freely revoke a proxy’s authority at any time, in their sole discretion” to communicate that appointing a proxy does not prevent a Policy Board member from changing their mind and voting on their own behalf with respect to a matter.

In the event a Policy Board member opts to use a proxy under the policy, they remain responsible and potentially liable for the decisions of the proxy (assuming the proxy has not gone beyond their authority) on their behalf.

Matanuska-Susitna Borough suggested change

Proxy Voting Proposal. If a Policy Board member cannot attend the regularly scheduled meeting, a Technical Committee (TC) member of the representing organization can serve as a proxy voter for the Policy Board member if designated in writing by the Policy Board member.



MatSu Valley Planning (MVP) for Transportation Draft Personnel Policies November 2024

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POLICY STATEMENT

MVP for Transportation’s personnel policy seeks to establish a system of personnel administration for the organization based on equitable merit principles and professional methods.

The personnel policies of MVP for Transportation are established by the Board of Directors, which has delegated authority and responsibility for their administration to the Executive Director. The Executive Director may, in turn, delegate authority to administer specific policies. Employees are encouraged to consult the Executive Director for additional information regarding the policies, procedures, and privileges described in this Handbook. Questions about personnel matters also may be reviewed with the Executive Director.

As circumstances warrant, the MVP for Transportation may, in its sole discretion, deviate from the terms stated herein as it sees fit. The MVP for Transportation has the express right to amend, modify, revoke, or add to the terms of this policy. The terms of this policy may only be altered through official written notice by the Policy Board. No terms of this policy may be altered via oral statements or other informal representations.

Unless expressly prohibited by statute, all employees without a written employment agreement to the contrary are employed on an “at-will” basis. *Alaska observes an **employment-at-will doctrine**, which means that, unless there is a specific contract in place, either the employer or employee can terminate their working relationship without cause or notice—provided that there are no legitimate allegations associated with discrimination, retaliation, contraventions of public policy or other unlawful justifications.*

Either MVP for Transportation or the at-will employee may conclude the employment relationship with or without advance notice at any time and for any reason, and no term in this policy will alter or restrict the right of the MVP for Transportation or of an at-will employee to end the employment relationship accordingly. Nothing in this policy impairs the right of the MVP for Transportation to make changes in employment status, including, without limitation, wage and benefit changes.



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The MVP for Transportation may enter into an employment relationship that is not on an at-will basis only through a written employment agreement signed by the Executive Director or by the Chair of the Policy Board.

Equal Employment Opportunity

MVP for Transportation provides equal employment opportunities (“EEO”) in all our employment practices to all employees and applicants for employment, without regard to race, color, religion, national origin, gender, age, sexual orientation, gender identity, disability, genetic information, marital status, military status, or any other category protected by federal, state, or local law. This includes prohibiting discrimination against those employees or individuals associated with or perceived to belong to a protected class, whether an employee falls into such class. MVP for Transportation strives to uphold EEO principles in all aspects of the employment relationship and all types of work situations, including hiring, firing, promotions, harassment, training, wages, and benefits.

All MVP for Transportation employees must make every effort to uphold the EEO policy. This includes reporting to the Executive Director and /or Board Chair all instances of discrimination or harassment. The MVP for Transportation Policy Board will promptly and thoroughly investigate any report and take corrective action if required. MVP for Transportation will not tolerate any form of unlawful discrimination. All employees are expected to cooperate fully in implementing this policy. In particular, any employee who believes that any other employee of MVP for Transportation may have violated the Equal Employment Opportunity Policy should report the possible violation to the Executive Director.

Reporting Discrimination as documented in the Title VI Policy:

Reports of discrimination must be filed no later than 180 days (unless the time for filing is extended by the U.S. Secretary of Transportation) from:

- The date of the alleged discrimination;
- The date when the person(s) became aware of the alleged discrimination; or
- Where there has been a continuing course of discriminatory conduct, the date on which that conduct was discontinued.

The complaint should include the following information:



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- The complainant's name, mailing address, and contact information (phone number, email address, etc.);
- How, when, where, and why the complainant believes they or a specific class of persons were discriminated against (please include the names and contact information of any witnesses);
- Any additional information the complainant deems significant and pertinent to the grievance(s).

Recording, Acknowledgement, and Resolution of Complaint

Upon receipt, the MVP Executive Director will date stamp a complaint. The date stamp is important for establishing the timeline for a response.

Within five (5) working days of receipt of the complaint, the MVP Executive Director shall acknowledge receipt and shall notify the MVP Policy Board Chair. The MVP Executive Director shall determine the need for additional information from the complainant, MVP for Transportation staff, or other parties. The staff review shall be completed no later than thirty calendar days after the date the Executive Director/Title VI Coordinator received the complaint.

If the review process determines discrimination has occurred, MVP for Transportation will follow the [Federal Complaint and Investigation Process](https://www.eeoc.gov/federal-sector/formal-complaint-investigation-process#popup2) <https://www.eeoc.gov/federal-sector/formal-complaint-investigation-process#popup2>

If the Director determines that a violation of this policy has occurred, it will take appropriate disciplinary action against the offending party, which can include counseling, training, warnings, suspension, and termination. Employees who report, in good faith, violations of this policy and employees who cooperate with investigations into alleged violations of this policy will not be subject to retaliation. Upon completion of the investigation, The Executive Director will inform the employee who made the complaint of the results of the investigation.

MVP for Transportation prohibits retaliation against reporters or investigators.

Employees with protected characteristics, such as individuals with disabilities or individuals needing accommodation of their religious practices, should notify their supervisor. MVP for Transportation will take reasonable measures to accommodate such employees' needs.



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Policy Against Workplace Harassment

MVP for Transportation is committed to providing a work environment that is free from sexual harassment and other types of discriminatory harassment for all employees.

Employees are expected to conduct themselves in a professional manner and to show respect for their co-workers.

MVP for Transportation's commitment begins with the recognition and acknowledgment that sexual harassment and other types of discriminatory harassment are, of course, unlawful. To reinforce this commitment, MVP for Transportation has developed a policy against harassment and a reporting procedure for employees who have been subjected to or witnessed harassment. This policy applies to all work-related settings and activities, whether inside or outside the workplace and includes business trips and business-related social events. MVP for Transportation's property (e.g. telephones, copy machines, facsimile machines, computers, and computer applications such as e-mail and Internet access) may not be used to engage in conduct that violates this policy. MVP for Transportation's policy against harassment covers employees and other individuals who have a relationship with MVP, which enables MVP for Transportation to exercise some control over the individual's conduct in places and activities that relate to MVP for Transportation's work (e.g. directors/board members, officers, contractors, vendors, volunteers, employees etc.).

MVP For Transportation expects its board and committee members, employees, and volunteers to uphold the highest ethical standards and to comply with all established policies. Participation in the organization's programs is subject to the observance of the organization's rules and procedures. MVP for Transportation bylaws also require the Board and staff to adhere to the American Planning Association Code of Ethics. The activities outlined below are strictly prohibited.

- Abusive language towards a staff member, partner, member of the public or committee /board member.
- Discourtesy or rudeness to a fellow participant, staff member, or volunteer.
- Verbal, physical or visual harassment of another participant, staff member or volunteer.
- Actual or threatened violence toward any individual or group.
- Conduct endangering the life, safety, health or well-being of others.
- Failure to follow any agency policy or procedure.
- Discrimination against any individual based on race, ethnicity, gender, age, ability, or income.

Workplace Sexual Harassment



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MVP for Transportation believes that all employees are entitled to a workplace free of harassment and expects that all employees will treat each other and our contractors, consultants, and visitors with courtesy, dignity, and respect. Sexual harassment is serious misconduct. Employee offenders may be subject to disciplinary action, including termination.

Unwelcome sexual advances; requests for sexual favors; sexual demands; or other verbal, physical, or unspoken conduct of a sexual nature among employees or between an employee and a contractor, consultant, or visitor to MVP for Transportation, whether subtle or blatant, will constitute sexual harassment when:

1. Submission to the conduct is either an explicit or implicit term or condition of employment;
2. Submission to or rejection of the conduct is used as a basis for an employment decision affecting the person rejecting or submitting to the conduct;
3. The conduct has the purpose or effect of interfering with an employee's or individual's work performance, or creating an intimidating, hostile, or offensive work environment; or
4. Third-party situations arise whereby an employee is offended by the sexual interaction, conduct, or communication among other employees or between an employee and a contractor, consultant, or visitor to MVP for Transportation.

Employees who experience or witness sexual harassment in the workplace or off-site must report it immediately to their supervisor, the Executive Director, or any member of the MVP for Transportation Policy Board. MVP for Transportation will promptly investigate reports of sexual harassment, while at the same time keeping all communications and the identities of those individuals involved as confidential as possible under the circumstances. MVP for Transportation may hire a third-party Human Resources Professional or Legal Counsel to investigate the allegation if deemed necessary to properly investigate the claim. Employees who are suspected of sexual harassment may be placed on administrative leave during the investigation. An employee who has been found to engage in sexual harassment will be subject to discipline up to and including termination.



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MVP for Transportation will not tolerate any retaliation against an employee who reports sexual harassment to their supervisor or to the Policy Board or who cooperates in the investigation of a report of sexual harassment.

Workplace Bullying

The employees of MVP for Transportation are to be always treated with courtesy and respect. Bullying of one employee by another, or by a MVP for Transportation contractor, consultant, or visitor, will not be tolerated.

Bullying may be defined as repeated abuse, whether physical, verbal, or unspoken, and whether subtle or blatant. Employees who are the victim of bullying or who witness bullying on work premises or off-site must report the incident(s) to the Executive Director or to the Policy Board Chair. MVP for Transportation will promptly investigate reports of bullying via private interviews and written statements, while at the same time keeping all communications and the identities of those individuals involved as confidential as possible under the circumstances. Employees who are suspected of bullying may be placed on administrative leave during the investigation. If MVP for Transportation determines that a violation of this policy has occurred, it will take appropriate disciplinary action against the offending party, which can include counseling, warnings, suspensions, and termination.

MVP for Transportation will not tolerate any retaliation against an employee who reports bullying to their supervisor or the Policy Board or who cooperates in the investigation of a bullying report.

Workplace Violence

MVP for Transportation does not tolerate violence or dangerous behavior of any kind in the workplace, including but not limited to physical abuse, threats, intimidation, coercion, or stalking.

Employees who are the victim of violence by another employee, or by a MVP for Transportation contractor, consultant, or visitor, on work premises or off-site, must report the incident(s) to their supervisor or to the Policy Board as soon as possible. This may prevent a situation from escalating and becoming even more dangerous. An employee should never attempt to handle a violent situation themselves.



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MVP for Transportation will promptly investigate reports of violence or dangerous behavior, while at the same time keeping all communications and the identities of those individuals involved as confidential as possible under the circumstances. Employees who are suspected of violence or dangerous behavior may be placed on administrative leave during the investigation. An employee who has been found to be violent or dangerous will be subject to discipline up to and including termination.

MVP for Transportation will not tolerate any retaliation against an employee who reports violence or dangerous behavior to their supervisor or to the Policy Board or who cooperates in the investigation of a report of violence or dangerous behavior.

Complaint Documentation

How to document Harassment, Bullying, Discrimination, and or Workplace Violence:

- The complainant's name, mailing address, and contact information (phone number, email address, etc.);
- The date of the alleged behavior;
- Documentation of the alleged behavior that violates the code of conduct;
- Names and contact information of any witnesses;
- Any additional information the complainant deems significant and pertinent to the grievance(s).

Any staff member, board member, committee or consultant who violates this Code is subject to discipline, including counseling, warnings, suspension and including termination. Such removal will be subject to review and appeal through the formal complaint and investigation procedure. The Executive Director and the Policy Board Chair will review the complaint and develop a plan to address the behavior.

Hiring

MVP for Transportation is committed to creating and maintaining a diverse, inclusive, and equitable work environment. We believe that diversity enriches our organization and enhances our ability to achieve our mission.

Commitments:



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1. **Recruitment and Hiring:** MVP for Transportation will actively seek a diverse pool of candidates for all job openings and use fair and consistent criteria for evaluating candidates. To ensure an impartial hiring process, the organization will review the applicant’s training, education, and on-the-job experience relative to the minimum requirements of the position vacancy. Reasonable accommodation will be made to enable a qualified applicant with a disability to go through the interview and hiring process.
2. **Training and Development:** MVP for Transportation will provide equal access to training and professional development opportunities for all employees.
3. **Promotion and Advancement:** MVP for Transportation is committed to ensuring that all employees have equal opportunities for advancement based on their performance and qualifications.
4. **Work Environment:** MVP for Transportation will foster a workplace culture that is inclusive and respectful of all individuals, free from harassment or discrimination.

Implementation:

The Executive Director or designated representative is responsible for the implementation and monitoring of this policy. All staff members are expected to adhere to this policy and contribute to an inclusive and equitable work environment.

Background and Reference Checks

MVP for Transportation may conduct background and reference checks on potential or current employees. The information it collects becomes part of the employee’s personnel record and may include the individual’s educational achievements, employment history, criminal record, motor vehicle records, and credit report. Any employment offer or offer for promotion or reassignment to another position is contingent upon verification of information the applicant or employee provides during the hiring, promotion, or reassignment process, as permitted by state and federal law.

Employee Eligibility



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In compliance with federal law, all new employees must complete the U.S. Citizenship and Immigration Services (“**USCIS**”) Form I-9 by the first day of hire to verify personal identity and employment eligibility.

Probationary Period

All appointments shall be tentative, subject to probation of six months. During the initial six-month employment period, an employee may be terminated at any time if the Executive Director is dissatisfied with the employee’s performance. Similarly, the Policy Board may terminate an Executive Director within the initial six-month employment period if it is dissatisfied with their performance.

Personnel Records

The Executive Director shall maintain personnel records to document an employee’s tenure from hire to termination. These records include their application; interview and hiring notes and documents; status changes; performance reviews; progress reports; disciplinary actions; EEO/affirmative action data; benefit plan choices and enrollments; dependent and beneficiary information; resignations and rehire determinations; and reports of legal actions, including EEO complaints. Employees shall have access to their personnel records at any reasonable time during business hours. A written report of all disciplinary actions, excluding oral reprimands, must be placed in an employee’s personnel record. No document shall be removed from an employee’s personnel without the Executive Director’s authorization and the employee’s concurrence. The MVP for Transportation shall give government agents limited access to employee files as required by law.

Disabilities

MVP for Transportation does not discriminate against employees and applicants with disabilities and will provide reasonable accommodations to these individuals so that they may perform the essential duties of their position. An employee who is currently disabled or becomes disabled should notify their supervisor promptly. MVP for Transportation reserves the right to require that a disabled employee provides certification from the healthcare provider of their disability and need for a specific accommodation.

Categories of Employees



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Under state and federal wage and hour laws, including the Fair Labor Standards Act (“FLSA”), all the employees of MVP for Transportation are either classified as exempt or nonexempt:

- **Exempt Employees** – Employees who fall within the criteria for exemption from the minimum wage and overtime provisions of the FLSA are paid a salary, and their pay is not tied to the number of hours they work. Exempt Employees do not get overtime wages.
- **Nonexempt Employees** - Employees who are NOT exempt from the minimum wage and overtime provisions of the FLSA. Overtime for non-exempt falls under Alaska Law. Overtime for hours worked over 8 hours per day and or over 40 hours per week will be granted with prior approval from the Executive Director.

*See definitions in Appendix A for additional definition of exempt vs non-exempt.

The following additional classifications apply both to exempt and nonexempt employees to determine an employee’s status and eligibility for employee benefits (the workweek expectations are discussed in the payroll section of the policy). However, does not guarantee continued employment for any length of time:

- **Regular Full-Time Employees** - Employees who are normally scheduled to work at least 32 hours per week.
- **Regular Part-Time Employees** - Employees who are **NOT** normally scheduled to work at least 32 hours per week or who only irregularly work such hours.
- **Temporary Employees** - Full-time or part-time employees hired for a limited duration, generally for three months or fewer. The employment of a temporary employee may be extended upon written permission; an employee’s status as a temporary employee may only be changed in a written employment agreement. Temporary employees are employed on an at-will basis and are not eligible for benefits.

MVP for Transportation shall designate, as part of the application and hiring process, whether an employee is exempt or nonexempt and whether they are a regular full-time or regular part-time employee or a temporary employee.

Independent contractors and consultants are self-employed individuals working with MVP for Transportation and are not employees of the organization. These individuals control the manner in



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which they complete assigned tasks, whereas MVP for Transportation assigns the tasks to them and defines the specific outcomes for each task.

Healthcare Information

Information related to an employee's healthcare enrollment or plan, if any, will be managed in conformance with the Health Insurance Portability and Accountability Act ("HIPAA") and kept in a separate folder in a secure location. MVP for Transportation does not regularly maintain records of its employees' healthcare information, and any such information voluntarily shared by an employee will be kept confidential.

Employment Status Changes/Separation

A change in an employee's status may occur for different reasons, including termination, resignation, abandonment, or retirement. These are the four employment status changes:

- **Termination** – Employees without a written employment agreement are employed at-will. The MVP for Transportation may conclude the employment relationship with or without advance notice at any time and for any reason.
- **Resignation** – Any at-will employee may choose to conclude the employment relationship with the MVP for Transportation at any time and for any reason. Employees who are considering resignation are encouraged to consult their supervisor to discuss whether other options are available for accommodation. The MVP for Transportation requests that resigning employees provide at least two weeks' advance written notice. The MVP for Transportation will confirm all employee resignations in writing within one business day.
- **Abandonment** – Abandonment occurs where an employee fails to report to work for three workdays in a row (regardless of whether there is an intervening weekend or holiday) without prior approval. The MVP for Transportation will consider this employee as having voluntarily resigned their employment as of the close of business on the third day.
- **Retirement** – Employees seeking to retire are requested to provide at least four weeks' advance written notice. This will allow the MVP for Transportation sufficient time to finalize



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any payroll and benefits issues, determine and prepare for any replacement hiring needs, and wrap up all other outstanding employment matters relating to the planned retirement.

MVP for Transportation will schedule an exit interview with a departing employee to provide them with an opportunity to reflect upon their tenure with the organization. The Executive Director will document any work highlights, challenges, and low points that the employee shares. Depending on the reasons for the employee's resignation, the content may be shared with the Policy Board. Separating employees will be asked to confirm their forwarding address to ensure that they receive their final paycheck and any tax or health insurance information in a timely manner.

Return of Company Equipment and Property

An employee who is separating from MVP for Transportation must return all the organization's equipment and property in their possession on their final day of employment. This may include ID cards, keys, cell phones, laptops, computer accessories, and office supplies. MVP for Transportation may deduct from the employee's final paycheck the value of all unreturned property in accordance with state law. An employee who fails to return such property upon separation may be deemed ineligible for rehire or may be subject to legal proceedings.

Rehire

To be rehired, a former employee must have separated from the MVP for Transportation in good standing. Employees lose good standing when the reason for separation is a policy violation. Former employees in good standing are still required to go through the regular hiring process, including the submission of an employment application. A rehired former employee will begin accruing benefits at the same rate and in the same manner as a new hire, and The MVP for Transportation will calculate their tenure for all purposes starting from the date of rehire. If an employee regrets their transition, they may request to be rehired in their current position within five days of separation. At the director's discretion, the employee can request to return to their position with their former benefits and pay rate.

Protection for Whistleblowers



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MVP for Transportation will not take retaliatory action against any employee because they have disclosed information to the Policy Board or to the authorities, even confidential information, that they believe reasonably demonstrates a violation of a law, rule, or regulation; gross mismanagement or waste of funds; an abuse of authority; or a substantial and specific danger to employee health or safety. *see the whistleblower policy approved by the policy board for the formal reporting process.

STANDARDS OF EMPLOYEE CONDUCT

Employee Conduct and Disciplinary Action

MVP for Transportation employees are responsible for knowing and abiding by the organization's rules and policies, which are intended to ensure high standards of ethical and personal conduct throughout its operations. Employees are expected to maintain the highest ethical standards and to perform their duties in good faith and to the best of their abilities. They are expected to use good judgment in all their actions and to consult a supervisor if there is any doubt whether their intended conduct meets MVP for Transportation's standards. Where warranted under the circumstances, MVP for Transportation will use progressive discipline to correct, improve, or prevent future recurrences of employee conduct falling below our standards. At MVP for Transportation's discretion, employee discipline may proceed as follows: verbal warning, written warning, institution of a conduct evaluation period, and termination.

A conduct evaluation period, if instituted for an employee, is a set period not to exceed 90 days during which the employee will receive counseling or training and monitoring by a supervisor or a member of the Policy Board for the purpose of targeting the possible causes of employee misconduct or correcting their poor performance. Depending upon the employee's conduct or performance during the conduct evaluation period, further discipline or corrective action may occur at its conclusion, including termination of the employee.

Dress Code

Employees are expected to maintain a clean, orderly, business casual appearance. Employees are requested to ask their supervisor if they are unsure what is appropriate. Employees displaying improper dress or appearance will be notified. Repeated inappropriate appearance is grounds for discipline.



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Drug-Free Workplace

Employees are generally expected to report to work fit for duty and not under the influence of substances that could impair their performance

Under the [Drug-Free Workplace Act of 1988](#), federal workplaces and non-federal workplaces with a federal contract of \$100,000 or more or a federal grant in any amount must implement a [Drug-Free Workplace Program](#). MVP for Transportation's drug and alcohol-free policy applies to all employees and applicants for employment and is designed to identify and eliminate instances of substance abuse in the workplace.

Employees may not consume alcohol or use marijuana at any time on property managed by MVP for Transportation. Furthermore, employees are prohibited from consuming, possessing, selling, or purchasing illegal drugs at any time on property managed by MVP for Transportation or while engaged in its business.

Any violation of this policy may result in disciplinary action and possible termination of the employee, even for an employee's first offense.

Personal Phone Calls and Cell Phone Use

To minimize disruptions in the workplace and to keep productivity high, employees should keep personal phone calls to a minimum. Employees are requested to keep their cell phones silenced or on low volume so as not to disturb their co-workers, and when on a call, to keep their voice low and to move away from others if possible. MVP for Transportation retains the right to outright prohibit all personal calls and personal cell phone use, except during emergencies, and to regulate individual employees who abuse their privilege.

MVP for Transportation offers employees the option to receive an MVP for Transportation cell phone or they may receive a \$50.00 monthly stipend to use their personal cell phone for business purposes.

Company Equipment and Property



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Any equipment and property, including cell phones, that MVP for Transportation issues to employees or makes available to them will remain the sole property of the organization, may not be used for personal reasons, and must be returned promptly at the end of employment.

Employees are responsible for following all operating instructions and safety guidelines, performing regular maintenance, and taking care not to damage or destroy any MVP for Transportation equipment or property. Employees must notify their supervisor if they discover that any equipment or property in the workplace is damaged, defective, hazardous, or in need of repair or maintenance.

MVP for Transportation may discipline employees who handle its equipment or property improperly, negligently, or in an unsafe manner, and employees may be required to reimburse MVP for Transportation for any damage they cause to equipment or property. Employees must report the theft of any MVP for Transportation equipment or property immediately to a supervisor.

Confidentiality

Employees of The MVP for Transportation are prohibited from disclosing confidential information belonging to the MVP for Transportation to any external parties without prior authorization, or to other employees, independent contractors, or consultants who do not have a legitimate business reason to know such information. **“External parties”** are any person or entity besides the MVP for Transportation’s employees, board members, contractors, and consultants. **“Confidential information”** includes information that is generally not known to the public.

Employees must maintain confidentiality in all locations, all modes of communication (including social media), and at all times, continuing indefinitely after termination of their employment relationship with the MVP for Transportation. Employees are responsible for knowing what information should be treated as confidential and are advised to consult their supervisor for clarification, as necessary.

Relatives and Close Personal Relationships

Employees are prohibited from supervising, reporting on, or otherwise working with their relatives or other persons with whom they have close personal relationships, this includes consultants. **“Relatives”** include spouses, domestic partners, (step-) children, adopted children, (step-) parents and siblings, grandparents, uncles, aunts, cousins, nieces, nephews, in-laws, and relatives of domestic partners.



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“**Close personal relationships**” include relationships with persons with whom an employee shares a household. An employee must disclose to their supervisor any relatives or close personal relationships in the workplace. Where possible, MVP for Transportation will strive to neutralize the conflicts of interest posed by relatives and personal relationships. However, it reserves the right to take any action necessary to address the issue.

Conflicts of Interest

Employees are required to avoid conflicts of interest and must take measures to avoid the appearance of having a conflict of interest. In general, an employee avoids conflicts of interest by not using or appearing to use MVP for Transportation’s confidential information, property, or business opportunities for personal gain. Employees must sign the Conflict-of-Interest Certification form annually. Employees must disclose any actual or potential conflicts of interest to their supervisor.

*all board and committee members and employees will sign the conflict of interest certification annually.

Gifts and Gratuities

Employees are prohibited from accepting gifts or gratuities from the individuals and companies with which the MVP for Transportation does business. This does not include gifts of \$50.00 or less, meant to commemorate a holiday function or a specific business-related event such as a conference or presentation. Each employee is responsible for keeping themselves free from indebtedness or favors, which tend to create a conflict of interest between personal and official interests or might affect their impartiality. Employees must avoid any appearance of impropriety.

Outside Employment

Employees shall declare any outside employment to the Executive Director, and the Executive Director shall declare any outside employment to the Policy Board. That said, no employee of MVP for Transportation shall accept outside employment or engage in a financial activity that:

1. Conflicts with the MVP for Transportation’s interests or in any way reflects unfavorably upon the organization;



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2. Is not compatible with the employee's work for the MVP for Transportation; or
3. Detracts from the employee's efficiency or availability during their regular work hours.

No employee shall be a contractor of the MVP for Transportation or be employed by a contractor on the MVP for Transportation matters.

Political Activities

Employees shall not solicit contributions or services during work hours, from other employees or visitors to the MVP for Transportation, on behalf of any political party or candidate. They may not participate during work hours in any political activities not considered part of their normal job duties. Employees, however, may be members of and support a political party or candidate, vote as they choose, privately express their opinions on all political subjects and candidates, maintain neutrality, or attend political meetings.

Solicitations in the Workplace

Soliciting for causes in the workplace may be disruptive and interfere with productivity. Therefore, employees of the MVP for Transportation and visitors to its work premises are prohibited from requesting donations, selling products or services, gathering signatures, posting on employee bulletin boards, sending non-work-related emails, distributing literature, and soliciting for causes on the MVP for Transportation online spaces. The MVP for Transportation may make exceptions to this policy for charitable activities or employee-organized events.

Searches

MVP for Transportation reserves the right to monitor, inspect, or search the MVP for Transportation equipment and property.

Safety

Each employee is tasked with helping to maintain a safe work environment and to comply with all applicable state and federal health and safety laws and regulations. Employees must report all injuries,



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accidents, illnesses, safety hazards, and health concerns that they observe or experience to their supervisor or to a member of the Policy Board.

PAYROLL PRACTICES

Work Hours

A normal work week for MVP for Transportation consists of Five (5) eight (8) hour days. Ordinary office hours are from 9:00 a.m. to 5:00 p.m., Monday through Friday (start and end times are flexible). Employees may request the opportunity to vary their work schedules to better accommodate personal responsibilities.

Breaks: Employees who work more than five (5) hours per day are entitled to a 30-minute lunch break and two 15-minute breaks.

Flex time and remote work is allowed with approval by the Executive Director.

Time Reporting

All employees are required to keep accurate and complete time records of their daily hours worked by tasks outlined in the Unified Planning Work Program (UPWP) shall not be absent from their scheduled workday without the prior approval of their supervisor. Employees who fail to report for work at the designated time shall make every reasonable effort to notify their supervisor as to the circumstances requiring such absence.

Any unauthorized absence of an employee from duty shall be deemed leave without pay, notwithstanding that the employee may have accrued leave available at the time.

Overtime

Employees classified as nonexempt will be paid overtime according to the Fair Labor Standards Act (FLSA) and state law for hours worked over 8 hours per day or over 40 hours per week. The FLSA states that unless exempt, employees covered by the Act must receive overtime pay for hours worked over 40 in a workweek at a rate that is not less than time and one-half of their regular rates of pay.



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The Executive Director must approve all overtime in advance and may adjust an employee's work schedule during the workweek to avoid overtime. The workweek is calculated beginning at 12:00 a.m. on Sunday morning and ending at 11:59 p.m. on Saturday night. Only actual hours worked will be counted for overtime pay. Time off for holidays, personal leave, family and medical leave, administrative leave, and leave without pay will not be used to calculate overtime. Exempt employees are not eligible for overtime.

The director may permit employees to flex their time within the same work week to complete assignments and tasks outside normal business hours.

Payment of Wages

Employees are paid every two weeks. The pay schedule will be developed in cooperation with the payroll service. Employees will be paid on the last business day prior to any payday which happens to fall on a weekend or holiday.

Employees must submit a new Form W-4 if their marital status, address or number of exemptions change.

Deductions

MVP for Transportation will make deductions from an employee's pay according to state and federal law. These may include federal income tax withholding, Social Security, Medicare, garnishments pursuant to valid court orders, other deductions pursuant to law, or voluntary deductions.

Travel

MVP for Transportation reimburses employee expenses incurred while traveling on MVP for Transportation business as outlined in the organization's Travel and Reimbursement policy. Per diem shall be paid at the current Federal Per Diem Rate for overnight travel outside the boundaries of the Matanuska Susitna Borough or Employees can submit receipts for reimbursement.

Mileage Reimbursement



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Employees shall be paid business mileage at a rate equivalent to the current Internal Revenue Service mileage allowance. Business mileage is an employee's travel beyond their normal commuting mileage (from home to the office and home again) on a typical workday. The mileage shall be documented on the MVP for Transportation business mileage reimbursement form and will be reimbursed through payroll on the employee's next paycheck.

Employees using a personal vehicle must have a valid driver's license, current proof of an auto policy meeting State-mandated insurance requirements, and an acceptable motor vehicle record. MVP for Transportation will secure a \$1 million Uninsured Motorist policy for all employees using personal vehicles for business purposes. The employee's personal insurance policy is primary for coverage, and MVP for Transportation's policy is for excess only.

Relocation Allowance

MVP for Transportation may reimburse employees who have been recruited from outside the Matanuska Susitna Borough for their documented relocation expenses (travel + shipment of household goods). This one-time relocation allowance shall not exceed the equivalent of one month's salary.

Before recruiting an individual outside the Matanuska Susitna Borough, MVP for Transportation will consider current and future staffing needs and urgency in filling the position, the pay ranges involved, and other peripheral management considerations.

An employee who has received a relocation allowance and who terminates their employment with MVP for Transportation before 12 months are up shall be required to repay the organization on a prorated basis for each month of the 12 months remaining after their date of hire. This repayment amount shall be deducted from the employee's final paycheck.

Separation

When an employee separates from MVP for Transportation, their wages accrue only up to their effective date of separation, except where expressly stated to the contrary in a written employment agreement or in state law. Assuming that the employee has returned all equipment or property which has been issued to them, their final paycheck will be made available within three business days of the separation



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or mailed per employee request by certified mail to their confirmed forwarding address. Accrued but unused leave will be paid out consistent with the MVP for Transportation's personal leave policy.

Pay

Each position shall have a written job description. In general, the description will include the purpose of the position, areas of responsibilities, immediate supervisor(s), qualifications required, salary range, and working conditions affecting the job, e.g., working hours, use of car, etc. The Executive Director shall have the discretion to modify the job description to meet the needs of MVP for Transportation.

MVP for Transportation's salary range will be based on average, with salaries comparable to those paid to Executive Directors, Transportation Planners, and Office/Communications managers in Alaska and to those paid by other MPOs in the US.

Employee compensation at the start of the employment or internal promotion is determined based on the applicant's prior work experience, credentials, and education, the local job market, the organization's budget, and peripheral management considerations. The Executive Director shall recommend employee compensation for approval by the Policy Board, and the Policy Board shall determine compensation for the Executive Director position.

Cost of Living Adjustment

At the beginning of MVP for Transportation's fiscal year (October 1), all regular full-time and part-time employees shall receive a Cost-of-Living Adjustment (COLA) added to their gross wages based on the U.S. Department of Labor Consumer Price Index for All Urban Consumers (CPI-U) for Anchorage. The COLA shall reflect the average of the CPI-U for the second half of the previous calendar year and the first half of the current calendar year. If the CPI-U average is negative, employees' wages will not change. Temporary employees are not eligible for COLA.

Performance Review

The annual performance review is a formal opportunity for the supervisor and employee to exchange ideas that will strengthen their working relationship, review the past year, and anticipate MVP for



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Transportations needs in the coming year. The purpose of the review is to encourage the exchange of ideas in order to create positive change within the organization.

The Executive Director of the MVP for Transportation shall implement a formal system by which each employee's job performance is evaluated in accordance with the following schedule:

1. Probationary employees will be evaluated after completing six months of service.
2. After completing the probation period, all employees will be evaluated annually, as calculated from the last date of evaluation.
3. Employees will be evaluated at the time of separation, and their rehire status will be documented.

Each employee will offer a brief narrative self-evaluation based on their job description, work objectives, and deliverables, and an assessment of three areas for growth and three areas of strength. The self-evaluation will be submitted to the supervisor. The supervisor will offer an additional evaluation of performance, growth opportunities, and strengths using the Glows and Grows format. The evaluation and any written responses by the employee will be placed in the employee's personnel record. Using the same feedback model, the Executive Director will be evaluated by the Policy Board during Executive Session. The Executive Director will deliver the self-evaluation to the Policy Board Chair, documenting a reflection of performance on organizational management, personnel management, project management, and financial management, including three aspects of the performance they are working to strengthen, and three aspects they feel are the strongest. The Policy Board will be invited to offer additional strengths and areas for growth.

Merit Increases

The Policy Board will meet near the end of the MVP for Transportation's fiscal year to review its actual-to-proposed budget and to determine compensation for employees, also considering such factors as longevity, loyalty, and exceptional performance. The Policy Board may grant a merit increase to an employee of no more than five (5)% of their gross wages after the COLA has been applied.

Severance Pay



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When substantial changes to the organization, a shortage of funds, or a lack of work necessitates a reduction in the workforce, as the budget allows, MVP for Transportation may offer severance pay for any terminated employee equivalent to one month of wages for each year of service, not to exceed four months' wages. This is at the discretion of the Executive Director and budget availability. The board would need to approve a budget amendment. Severance is not a normal budget line item.

EMPLOYEE BENEFITS

General Information

In addition to those benefits required by state and federal law, full-time employees of the MVP for Transportation will be entitled to the benefits of health insurance, COBRA, Worker's Compensation, Social Security, a Retirement Savings Plan, and Unemployment Insurance. They may also be offered additional benefits as they arise.

Employees are advised to consult official documentation respecting specific benefits or to contact their supervisor with any questions or concerns. The organization reserves the right to alter, supplement, amend, or end these employee benefits at any time.

Health Insurance

MVP for Transportation will provide 95% of health insurance premiums for full-time permanent employees who participate in a family health insurance plan, including vision and dental coverage. Employees should refer to official plan documentation for benefit details or contact their supervisor for more information.

COBRA

Employees who are enrolled in MVP for Transportation's family health insurance plan may qualify under the Consolidated Omnibus Budget Reconciliation Act (COBRA) when they separate from the organization. MVP for Transportation will provide employees, within thirty days of their departure, written notification of their eligibility to continue coverage.



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Worker's Compensation

MVP for Transportation carries workers' compensation insurance for all employees. Workers' compensation generally covers medical, surgical, and hospital expenses for a work-related injury or illness in addition to lost wages and disability. An employee who experiences a work-related injury or illness, no matter how small, must seek medical evaluation at once. They also must notify their supervisor, who will assist them in completing an incident report.

Social Security

MVP for Transportation contributes to Social Security on behalf of all its employees. Social security is designed to benefit employees or their spouses or dependents upon the employee's retirement, disability, unemployment, or death.

Retirement Savings Plan

MVP for Transportation provides a 401(k) Retirement Savings Plan for employees with two parts.

First, beginning at the start of their employment with the organization, an employee may contribute a portion of their salary to their 401(k) account up to the maximum amount contributable under IRS regulations. They are entitled to the entirety of their contribution upon separation.

Second, beginning at the start of their employment, with the employees first paycheck, MVP for Transportation shall contribute an equivalent of 3% of an employee's gross wages to their 401(k) account. The Policy Board shall review the amount of the employer contribution annually.

Unemployment Insurance

MVP for Transportation pays taxes toward unemployment insurance for all employees in accordance with federal and state law. Unemployment insurance provides eligible workers with supplemental income to bridge the time that they are unemployed.

Training and Conferences



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The MVP for Transportation encourages employees to avail themselves of professional training and conferences to help them serve the organization and the public more effectively. Professional training may include a semester-long course at the University of Alaska or online. Training and conferences are taken on work time, as is the travel to and from the training or conference venue.

To be approved for attendance, the employee must first submit a travel request to the Executive Director, prior to enrollment, that identifies the sponsor and describes the content of the training or conference, explains the benefit to the MVP for Transportation and provides a detailed breakdown of all costs associated with traveling to and attending the training or conference.

The MVP for Transportation may propose to reimburse less than 100% of the costs associated with attending the training or conference, depending on the nature of the opportunity and the organization's finances at the time. Extension of a business trip for personal leave is allowed. The employee will be expected to cover any additional travel costs, lodging fees etc. for personal travel.

The Policy Board shall consider the Executive Director's requests to attend training courses and conferences.

TIME OFF AND LEAVES OF ABSENCE

Requesting Leave

The MVP for Transportation relies upon a dependable and consistent workforce to operate smoothly. However, it is understood that circumstances sometimes require employees to take time off work. Employees may be entitled to various types of leave, either as mandated by law or as offered by MVP for Transportation. Unless a specific type of leave in this policy provides for a specific notice period or a specific notice period is required by law, employees must provide as much notice as possible before taking leave.

Employees must submit all requests for leave and receive authorization before taking time off work. Unless the leave is required by law, the employee's supervisor retains discretion regarding approving the requested leave. Any unauthorized absence of an employee from duty shall be deemed leave without pay, notwithstanding that they may have accrued leave available at the time.



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Unless otherwise noted or required by law, employees who receive paid time off will be compensated at their normal base pay rate for absent hours. Employees are advised to consult their supervisor if unsure which types of leave might be available to them.

Personal Leave

Regular full-time employees shall accrue personal leave as follows:

1. Date of hire to two (2) years of service – 160 hours / 4 weeks per calendar year.
2. Two (2) to five (5) years of service – 200 hours / 5 weeks per calendar year.
3. More than five (5) years of service – 240 hours / 6 weeks per calendar year.

Part-time employees shall accrue leave on the same schedule as full-time employees, however, proportionate to the number of hours they are regularly scheduled to work. (*i.e.*, if a part-time employee works 20 hours per week, the number of hours of leave will be granted at half the amount listed in the schedule above).

Leave accrues from year to year with a maximum accrual of 240 hours. When an employee's leave accrual reaches the maximum limit, they must elect either to receive monetary compensation ("**leave cash out**") or to take leave to reduce their accrued leave below the maximum limit. Employees are expected to use leave benefits in the fiscal year in which leave is earned.

Upon request, a supervisor may authorize monetary compensation for accrued leave at the employee's current pay rate, up to 80 hours per year. The Policy Board will consider the Executive Director's request to cash out their accrued leave. Employees are advised to build up and maintain 40 hours of accrued personal leave to cover unexpected needs.

All an employee's accrued leave shall be compensated at their current rate of pay at the time of their separation and paid in full.

Professional Development Leave



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Full-time employees may request up to 40 hours of indirect professional development leave to take classes, training, or to attend professional association meetings to further their skill development such as: college classes, toastmasters, local APA meetings, AICP prep and training etc. Professional Development leave is not part of personal leave accrual and does not roll over.

Harvest/Subsistence Leave

Full-time employees may take up to three days of harvest/subsistence leave annually. Harvest/subsistence leave is not part of personal leave accrual and does not rollover.

Donating Leave

An employee may voluntarily donate their accrued leave to another employee, provided the donating employee will have 40 hours of accrued leave remaining after the donation. In computing the leave now available to the second employee, the donated leave will be valued at the normal base pay rate of the donating employee and converted into accrued leave at the normal base pay rate of the employee receiving the donation.

Leave without Pay

Employees may be granted leave without pay for periods not to exceed four weeks per year, provided that such leave may be scheduled without adversely affecting the operations of MVP for Transportation. All requests for leave must be submitted in writing and approved by the Executive Director.

Employees on leave without pay are not eligible for holiday pay and do not accrue personal leave. MVP for Transportation will pay their health care premiums as long as employees cover their portion of the health insurance premium through remote work hours or use of PTO.

The Policy Board will consider the Executive Director's requests for leave without pay.

Holidays



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Regular employees of MVP for Transportation are entitled to the fifteen (15) holidays listed below as paid time off. Part-time employees have paid holidays on the same schedule as full-time employees proportionate to the hours they are regularly scheduled to work. (*I.e.*, if a part-time employee works 20 hours per week, their holiday day pay will be equivalent to 4 hours at their normal base pay rate.) An employee who is required to work on a holiday will be paid two times their normal base pay rate. (*I.e.*, double time, which equates to the normal base pay rate for the holiday plus the normal base pay rate for working).

The Holiday schedule

1. Martin Luther King, Jr. Day (third Monday in January)
2. Elizabeth Peratrovich / Presidents Day (third Monday in February)
3. Memorial Day (last Monday in May)
4. Juneteenth (June 19th)
5. Independence Day (July 4th)
6. Labor Day (first Monday in September)
7. Indigenous Peoples Day (second Monday in October)
8. Veterans Day (November 11th)
9. Thanksgiving Break (fourth Thursday and Friday in November)
10. Winter Holiday Break (December 25th through January 1st) MVP for Transportation office is closed

If any of these listed holidays falls on Sunday, the following Monday will be given as a holiday for pay purposes. If any holiday falls on a Saturday, the preceding Friday shall be given as a holiday for pay purposes. When a holiday falls on an employee's regular day off, the next working day is considered a holiday for pay purposes.

Family and Medical Leave

Due to its size, MVP for Transportation is not required to comply with the Family and Medical Leave Act (FMLA), a federal statute that mandates family and medical leave under certain circumstances.



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However, MVP for Transportation will consider granting employee requests for paid leave or a combination of paid and unpaid leave for up to 90 days to manage the birth and care of a newborn to adopt or foster a child, to care for the employee's spouse, child, or parent who has a serious health condition; to seek care for the employee's serious health condition; or to manage a difficulty arising from the fact that the employee's spouse, son, daughter, or parent is a service member on active duty.

When possible, such requests must be made at least 30 days prior to the anticipated leave and provide an estimate of the duration of the leave. Requests will be granted on a case-by-case basis in consideration of the needs of both MVP for Transportation and the employee. Employees must plan to exhaust their paid leave prior to taking unpaid leave. MVP for Transportation will pay their health care premiums as long as employees cover their portion of the health insurance premium through remote work hours or use of PTO.

MVP for Transportation will also provide employees with information regarding any relevant state family and medical leave law, as may be required by law.

Other Leaves of Absence

Administrative leave may be granted by the Executive Director or the Policy Board for the following reasons:

1. **Court Leave.** Employees who are summoned for jury duty or are subpoenaed as a witness in a civil or criminal matter shall be granted administrative leave and will not suffer a loss of pay for their participation.
2. **Voting Leave.** MVP for Transportation encourages employees to fulfill their civic duty to vote in elections. MVP for Transportation may provide paid administrative leave to vote, if requested.
3. **Military Leave.** Employees who are absent from employment due to uniformed military service shall be entitled to reemployment rights and benefits and health insurance protection employment in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and, when the employee is a member of the Alaska National Guard or the Alaska Naval Militia, in



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accordance with state law.

4. Bereavement Leave. Employees shall be allowed time off work without loss of pay, not to exceed 5 days, in the event of a death in the employee's immediate family (spouse or domestic partner, children (biological, adopted, and stepchildren), parents and parents-in-law, grandparents, and siblings) for attending the funeral or making necessary arrangements. Employees requesting bereavement leave for unique family situations not listed above may be granted by the Executive Director on a case-by-case basis.
5. Workers' Compensation. Employees who are unable to work due to a work-related injury or illness may be eligible for workers' compensation leave and benefits in accordance with state law.
6. Disciplinary Leave. An employee who is suspended from work during an investigation of their alleged violation of the personnel policy may be required to take personal leave or leave without pay for the duration of the investigation. The Policy Board shall consider the Executive Director's requests for administrative leave.

CERTIFICATE OF ADOPTION

The Personnel policy was duly adopted by MatSu Valley Planning for Transportation Policy Board on November 19th 2024.

Matsu Valley Planning (MVP) for Transportation

By: Mayor Glenda Ledford, Policy Board Chair

MVP for Transportation Draft Personnel Policy
Project Team Comment Response Log 11.13.2024

	Topic	Comment	MVP Project Team Response
MVP staff general comments	Statement about how the Personnel Policies were drafted.	The project team reviewed personnel policies from Foraker Group, the Council of Nonprofits, Arctic Winter Games Host Society, RESPEC, Native Movement, Fast Planning, the Matanuska Susitna Borough, and Chickaloon Native Village.	<p>MVP’s personnel policy was drafted using other organizations’ policies as a guide.</p> <p>Managers, directors, and employees of other organizations were consulted to determine which policies cause employee hardship or are a barrier to hiring staff and which policies would help recruit and retain staff.</p> <p>There is a shortage of planners in Alaska, so MVP’s policies need to offer something other organizations do not. Because we are a nonprofit, we can design our policies to meet our needs.</p> <p>Recommendations on hours of operation, FTE’s, benefits, personal leave, and holidays are based on MVP’s need to have competitive a benefits package to attract and retain quality staff. The recommended policies do not and will not cause MVP financial hardship or programmatic shortfalls.</p>
	Document organization	Because there was confusion about non-discrimination and anti-harassment policies, EEO non-discrimination and all forms of harassment were placed in the same section at the beginning of the policy.	At-will, EEO, Anti-Harassment policies, and reporting requirements are all grouped together.
1)	Equal Employment Opportunity	MSB: This section appears to be written to address programmatic discrimination and not employment.	<p>We are not sure what is meant by programmatic discrimination. This section clearly discusses employment opportunities and MVP’s commitment to not discriminate in all aspects of hiring, firing, training, harassment, promotion, wages and benefits.</p> <p>The EEO section does include reporting language borrowed from MVP’s Federally Required, Policy Board-approved Title VI plan. This was included to ensure that the</p>

			<p>Personnel Policy was consistent with the Title VI plan.</p> <p>No Change Recommended</p> <p>Staff reordered the policy to have non-discrimination and anti-harassment all in one section</p>
2)	EEO reporting requirements	MSB: Should this be policy board?	<p>These types of actions should be the responsibility of the Board Chair, not necessarily the whole Board. Depending on how sensitive and egregious the issue is, the board chair may choose to bring the matter to the whole board. This is also the stated protocol in the Approved Title VI Plan. In addition, a person should not have to address an entire board to report discrimination. That would be intimidating and might deter someone from filing a complaint.</p> <p>This does not refer to programmatic discrimination but of a specific incident.</p> <p>No Change Recommended</p>
3)	Reporting Discrimination	MSB: Title VI of the Civil Rights Act is the title that refers to the employment relationship. Title VI refers to programs. This section appears to be written to address programmatic discrimination and not employment.	<p>This does not refer to programmatic discrimination but of a specific incident.</p> <p>No Change Recommended</p> <p>Staff reorganized the content as stated above so all of the non-discrimination anti-harassment have been regrouped into one section.</p>
4)	Hiring / Work Environment	MSB: This applies to more than hiring and is already stated in the EEO policy at the beginning. Having here is redundant.	<p>Documenting our commitments to Hiring, Training, and Promotion are all part of the work culture and the EEO policy. Moved this section to be closer to the EEO statement and anti harassment policy and edited out the section on Reporting Concerns</p>

5)	Personnel Records	MSB: Consider a separate folder for medical information (employment physicals, drug screens, FMLA paperwork, ADA paperwork, etc.)	We added a section highlighting where MVP will keep records about benefits and enrollments, dependents and beneficiary info, etc...
6)	Disabilities	MSB: Employers generally cannot require employees to report a disability unless the employee requests an accommodation or the employer has objective evidence that the employee's disability is affecting their job performance. Recommend having a generic ADA policy.	<p>The policy does not state that it is a requirement. It is a “should,” not a “must”.</p> <p>We want employees to know if they need an accommodation they should let us know. This section is just stating that we want to be helpful and employees should talk to leadership if they need something.</p> <p>No change recommended.</p>
6)	Categories of Employees	MSB: Should state what exempt or non-exempt means. Exempt employees do not get overtime and non-exempt get overtime. Overtime for non-exempt would be under Alaska Law so it will be overtime for hours worked over 8 hours per day and over 40 hours per week.	<p>This does define exempt and non-exempt employees. added: Exempt employees are usually paid a salary, and their pay is not tied to the number of hours they work. Added FLSA Exempt employee definition to an appendices.</p> <p>Added to the policy, OT is granted when an employee works over 8 hours per day and/or over 40 hours per week, and OT will be granted with prior approval from the Executive Director.</p>
7)	Full-Time, Part-Time and Temporary Employees	MSB: Recommend full-time = working 40 or more hours per week and part-time be working greater than 30 hours but less than 40 hours. 30 hours is the cut-off for ACA so	<p>MVP does not fall under the Affordable Care Act laws that govern health insurance requirements. The ACA law requires 50 or more employees.</p> <p>The ACA law also states that an employee who has on average of 30 hours of service per week or 130 hours per month IRS ACA law is considered full time.</p> <p>We need to pick a number of hours greater than 30 per week to qualify for benefits as full-time: 40,39,38,37,36 etc..</p>

			<p>The project team decided to follow FAST Plannings policy for this. MVP is offering benefits for full-time employees, who work at least 32 hours understanding that the normal work hours are 40 hours per week this is discussed in the payroll section.</p> <p>No Changed Recommended</p>
8)	Independent Contractors	MSB: May want to expand on the definition of an independent contractor if they will be regularly used. This will ensure clarity.	<p>Independent means that they are not employees.</p> <p>No change recommended.</p>
9)	Employment Status Changes / Separation	MSB: Typical is three (3) no-call/no-show.	Modified to state 3 no-calls
10)	Rehire	MSB: May consider not providing adequate notice when they resign/retire.	<p>Providing notice is a professional courtesy, not a requirement. There are many reasons a great employee might resign without notice, and it would be a shame not to hire them back if the opportunity were presented.</p> <p>No Change Recommended</p>
11)	Drug-Free Workplace	MSB: Should add language re: prescription medication that causes the employee to be impaired.	<p>Prescription medications taken properly are not a violation of drug-free workplace laws.</p> <p>Added a statement: Employees are generally expected to report to work fit for duty and not under the influence of substances that could impair their performance.</p> <p>We edited the policy to be specific to working at an MVP-managed property and remain silent on conference / off-site after hours activities.</p>
12)	Cell Phone Policy	MSB: May want to clarify which employees will be required to be available by phone/use cell phone.	<p>This is not necessary.</p> <p>No Change Recommended</p>
13	Confidentiality	MSB: this may not be enforceable	<p>It may not be enforceable but it is a condition of employment; an expectation is being set.</p> <p>No Change Recommended</p>
14)	Relatives and Close Personal Relationships	COW: Include Consultants	With a three-person office and a small consulting world, it is possible we would

			have this situation occur. Added consultants to the list of considerations
15)	Gifts and Gratuities	MSB: You may consider putting a dollar value (\$25 or \$50)	Added a \$50 limit
16)	Code of Conduct	MSB: Recommend clarifying the difference of how these groups will be dealt with. For instance a consultant would not be disciplined but their contract may be cancelled.	Not certain what the gray area is here. A consultant would be terminated under a contractual obligation. No Change Recommended
17)	Code of Conduct Complaint Documentation	MSB: What is this referring to? Does not appear to go in this section.	We moved the complaint documentation to the anti-harassment section
18)	Work Hours	MSB: The 9-5 schedule does not allow for a lunch break	<p>There is flexibility built into the schedule. Staff may come in early or stay late. But the office will not be officially open before 9am or later than 5pm. (start and end time are flexible)</p> <p>Updated the language to clarify work hour expectations. A normal work week for MVP for Transportation consists of Five (5) eight (8) hour days. Ordinary office hours are from 9:00 a.m. to 5:00 p.m., Monday through Friday (start and end times are flexible).</p> <p>Breaks: Employees who work more than 5 hours per day are entitled to a 30-minute lunch break and two 15-minute breaks during work. The work hours are structured this way to support employees' health and productivity and foster a positive work environment.</p> <p>Many organizations are starting to shift to a less than 40-hour work week. Alaska DOT, Copper River Watershed Project, Chickaloon Native Village, and Native Movement, to name a few, all have a less than 40-hour work week.</p> <p>Offering breaks is a kindness that we should offer our professional staff.</p>

19)	Work Hours / Flex time	If time is flexed resulting in more than 8 hours being worked in a day then a non-exempt employee may be entitled to OT.	<p>Employees will be required to get prior approval to work overtime. The Executive Director is responsible for managing the budget, staff schedules and hours. See the overtime section. Flex time will be granted if the employee requests it. If the employee requests OT, prior approval is required. If OT is denied, the employee will be expected to adjust their schedule to not work more than 8 hours in a day or 40 hours in the week.</p> <p>Added a sentence about flex-time to the overtime section: The director may permit employees to flex their time within the same work week to complete assignments and tasks outside normal business hours.</p> <p>No change recommended</p>
20)	Time Reporting	MSB: what is the UPWP	<p>Added: The UPWP is the Unified Planning Work Program, MVP’s Federally approved two-year work plan and budget</p>
21)	Attendance	MSB: Consider a timeframe for notification.	<p>MVP staff will consist of three people. The Executive Director will be responsible for clarifying notification expectations if an employee cannot report to work by 9 a.m.</p> <p>No change recommended</p>
22)	Overtime	MSB: Alaska requires payment of OT for hours worked in excess of 8 in a day.	<p>Alaska labor law states: If you work more than 8 hours in a single day and/or more than 40 hours in a single week, you must be paid time-and-one-half (1.5 times) your hourly or regular wage for those extra hours that you worked. Wage and Hour FAQ</p> <p>We added over 8 hours per day and/or over 40 hours per week to the policy statement.</p>
23)	Travel Policy	Is this for all travel or overnight travel?	<p>Per diem will be paid at the federal rate for all overnight travel outside the MSB. Added <u>overnight</u> to clarify the meaning of all travel.</p>
24)	Mileage reimbursement	MSB asked for proof of an acceptable motor vehicle record. MSB suggested that we may want to define what “acceptable” is.	<p>An unacceptable record would be a record with multiple violations that would result in higher car insurance premiums for MVP.</p> <p>This is a conversation the Executive Director would have with staff if there were an issue.</p> <p>No change recommended</p>

25)	Pay	MSB: This is a moving target, could be hard to manage, and may create equity/disparity issues if a standard pay plan is not in place/used.	<p>MVP will be a staff of three. There are general industry standard ranges for Executive Directors, Land Use / Transportation Planners, Transportation Engineers, Office Managers and Communications Professionals. There are also salary ranges listed on the Association of Metropolitan Planning Organizations (AMPO's) website within the job announcements section.</p> <p>MVP does not need a wage chart. The ED is responsible for the budget and knows what MVP can afford.</p> <p>MVP staff Job Descriptions have been developed with salary ranges. Salary ranges were developed using Alaska and national industry standards mentioned above. Rate of Pay per employee will be based on the duties assigned to the position, and education and years of experience of the applicant. We want to be flexible depending on the applicant's experience.</p> <p>No Change Recommended</p>
26)	Cost of Living Adjustment	MSB: May want to add "subject to funding" or "budget approval", etc.	<p>MVP's funding award is usually provided in June, MVP's annual budget is approved in August, and the FFY begins October 1st. We will know if we have the budget for it well in advance and can modify the TIP if additional STBG funds are necessary to make the budget based on COLA or merit increases.</p> <p>No change recommended</p>
27)	Severance Pay	MSB: Don't recommend a severance pay policy. Instead recommend giving 30 days notice of job ending if possible, or limit to 2 weeks pay.	<p>If MVP is forced to lay off staff, especially long-term professional staff, and we have the funding, it would be a kindness to the employee to acknowledge their value to the organization and our commitment to them through this transition.</p> <p>We amended the policy statement to read <u>may</u> offer a severance rather than shall. The Executive Director would be required to present the request to the board because severance would not be in the normal approved annual budget, and a budget adjustment would need to be made.</p>

30)	General Information	MSB: Recommend deleting. Many of the benefits listed are required by law and apply to all employees not just FT.	This section listed full-time employee benefits. We are just trying to inform employees. No Change Recommended
31)	General Information	MSB: The word permanent contradicts at-will	We are just clarifying permanent vs. temporary staff in relation to benefits. No change recommended
32)	Health Insurance	MSB: is the 95/5 % cost split sustainable?	Yes, MVP will have access to funding in addition to our planning funds. If STBG funds are necessary to support the annual budget, the Executive Director will present the request to the Policy Board. The 95/5 split is competitive. 80/20 split is not competitive. Generally, the consulting firms offer 100%, and Fairbanks Northstar Borough pays a 95/5 split. The city of Wasilla offers 100% If we want to attract high-quality staff and can't pay consulting firm wages our benefits have to give us the edge. No change recommended
33)	Workers Compensation	MSB: Recommend talking with your workers' comp carrier. Some injuries do not warrant medical attention. Requiring a medical evaluation may increase costs. Make clear that injuries must be reported. Check with your carrier to see if they want the employee report of injury completed or if they have their own process.	Noted No change is recommended. Once a workers Comp insurer is secured, the policy may be adjusted.
34)	Retirement Savings Plan	MSB: There are not gross earnings at the start. Is	No, retirement savings will begin with the first paycheck, and the employee will be

		the intent to do this annually? On an anniversary date?	entitled to those funds if they leave the organization. Added <u>with the employee's first paycheck</u> to clarify.
35)	Training and Conferences	State of Alaska only requires paying for time that corresponds with the employee's work schedule (i.e. 9-5) even if travel is on the weekend. If an employee takes the red-eye or travels outside the work schedule it is not compensable.	Though Alaska Law does not require us to pay travel time, it is the right thing to do if MVP is requiring staff to travel for work. This the norm in the nonprofit world. MVP has the right to have policies that are more generous than the law. It will be the executive director's responsibility to work with staff to flex their time to not work over their 8 hours per day or 40 more weeks if possible when traveling for work.
	Professional Development Leave	Knik Tribe suggested additional professional development days	Added to the policy: Full-time employees may request up to 40 hours of indirect professional development leave to take classes, training, or to attend professional association meetings to further their skills such as: college classes, toastmasters, local APA meetings, AICP prep and training etc. Professional Development Leave not part of annual personal leave accrual and does not roll over.
36)	Personal Leave	MSB: Reconsider definition of FT. 40 hour employee gets 4, 5 and 6 weeks but a 32 hour employee gets 5, 6.25 and 7.5 weeks respectively.	FTE is defined earlier in the policy. No need to reiterate it here. The Policy clarifies that Part-time employees shall accrue leave on the same schedule as full-time employees, however, proportionate to the number of hours they are regularly scheduled to work. No change recommended
37)	Personal Leave	MSB: monetary leave cash out? Is this sustainable?	Yes, and there is an 80-hour cap. No change recommended
	Harvest / Subsistence Leave	Knik Tribe: suggested additional personal leave days for wild food gathering	Added to the policy: Full-time employees may take up to three days of Harvest/Subsistence leave annually. Harvest/subsistence leave is not part of personal leave accrual and does not rollover.

38)	Holidays	MSB: Winter Holiday Break: Is this an additional week of paid leave? Is this sustainable? This would give a total of 18 holidays which is excessive.	<p>There are no federal laws requiring PTO or holidays. This means MVP has options for creating a structure that works best for our nonprofit and for the wellbeing of our employees.</p> <p>Offering the additional winter break is good for families.</p> <p>The enhanced holiday proposal aims to attract employees interested in a job that values their quality of life and appreciate the recognition of work-life balance.</p> <p>This proposal is a 16-day holiday proposal, not 18 as stated.</p> <p>The MSB offers 12 holidays. This proposal only offers four (4) more days, than the MSB depending on when Christmas falls in 2025.</p> <p>This proposal does not cost the organization anything.</p> <p>Alternatively, we could add five sick/mental health days to the benefit package (personal leave, sick/mental health leave, and holiday leave), and employees would have the flexibility to take the time as needed.</p> <p>No change recommended</p>
39)	Administrative Leave	MSB: Leaves listed aren't all Administrative (i.e. Workers Comp, Military, etc.) Consider changing to other Leaves of Absence.	<p>Noted</p> <p>Adjusted the heading to say Leaves of Absence</p>
40)	Court Leave	MSB: Not usually paid by employer unless it is related to the employer's business.	<p>Court leave is designed to benefit the employee so they do not have to take vacation time when required to perform their civic duty or act as a witness.</p> <p>No change recommended</p>

Record Retention, Public Records Requests, and Website Policy

Record Retention

The MVP for Transportation will retain all federal aid project files for three years after the Annual audit per 49 CFR 18.42b. These files constitute the complete record documenting all expenditures and financial activity of federal projects, including contract and billing records, expenditure reports, claims for reimbursement, final vouchers, etc.

Public Record Requests

A request for Public Records, including financial information as required by federal law and meeting minutes and recordings from MVP for Transportation, must be made in writing to the Executive Director. The request should be as specific as possible to satisfy the request. The records shall be provided no later than the 10th working day after a request has been made. MVP may not always be able to accommodate requested formats. A request for records other than the IRS form 990 for financials, meeting minutes, recordings and for materials not published on the website will be considered on a case-by-case basis. Exemptions from public records requests are established by state and federal law. There are no fees for doing a record search.

Public Record Requests

1. Duty to Disclose:

MVP for Transportation ("MVP") shall comply with all applicable federal and state laws regarding the public disclosure of its organizational documents, financial information, and tax-exempt status. This includes, but is not limited to, the following:

- **Form 1023:** MVP's application for recognition of tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, including any attachments, amendments, and correspondence with the Internal Revenue Service ("IRS").
- **IRS Determination Letter:** The letter issued by the IRS confirming MVP's tax-exempt status.
- **Form 990:** MVP's annual information return, including Form 990, Form 990-EZ, or Form 990-N, as applicable, along with any required schedules and attachments.
- **Articles of Incorporation of MVP:** MVP's Articles of Incorporation, as filed with the State of Alaska, including any amendments.
- **Bylaws:** MVP's bylaws, as adopted and amended from time to time.
- **State Registration:** Any registration documents filed with the State of Alaska in compliance with the Charitable Solicitation Act, including but not limited to, the annual charitable organization registration.

MVP will upload all meeting minutes, agendas, plans, and public comment documents on MVP's website as outlined in the Public Participation Plan.

2. Public Access:

MVP shall make the documents listed above available for public inspection at its principal office during regular business hours. Copies of these documents shall be provided to any member of the public upon request, either in person, by mail, or electronically, no later than thirty (30) days following receipt of such request.

3. Fees for Copies:

MVP may charge a reasonable fee for the cost of photocopying and postage when providing copies of the requested documents.

4. Confidentiality of Certain Information:

MVP shall protect the confidentiality of sensitive information as required by law. This includes, but is not limited to, donor identities and personal addresses of board members, which shall not be disclosed as part of public inspection documents.

5. Electronic Disclosure:

To further enhance transparency, MVP may make the required documents available on its official website or through recognized third-party services, in compliance with applicable public disclosure laws.

6. Compliance Officer:

MVP's Compliance Officer, or such other officer as may be designated by the Policy Board, shall be responsible for ensuring that MVP adheres to the public disclosure requirements set forth in this provision.

Website

To aid in public participation and in accordance with our latest Public Participation Plan, MVP will host and support a website and various social media outlets.

Website

The website will host the following and make them accessible to the greatest extent possible:

- A. All meetings, agendas and packets will be posted in a timely manner on MVP's website.
- B. An archive of all meeting packets regardless of committee.
- C. All operating agreements, bylaws, intergovernmental agreements, and MPA boundary map.
- D. Current copies of the required Metropolitan Planning documents will be available, including:
 - a. Unified Planning Work Program
 - b. Transportation Improvement Program
 - c. Public Participation Plan
 - d. Title VI Plan
 - e. Metropolitan Transportation Plan
 - f. Annual Listing of Obligated Projects

- g. All planning and policy efforts
- E. Current project development links and planning efforts or hyperlinks.
- F. All current Technical Committee and Policy Board members lists, staff contacts, and easy to access contact methods

CERTIFICATE OF ADOPTION

The Records Retention, Public Records and Website policy was duly adopted by MatSu Valley Planning for Transportation Policy Board on November 19th 2024.

Matsu Valley Planning (MVP) for Transportation

By: Mayor Glenda Ledford, Policy Board Chair

DRAFT

**Memorandum of Agreement
Between the Matanuska-Susitna Borough
&
MatSu Valley Planning for Transportation (MVP)**

I. INTRODUCTION

The Matanuska-Susitna Borough (MSB), an Alaska Municipality, and MatSu Valley Planning For Transportation (MVP), a nonprofit organization, mutually agree to the terms of this Memorandum of Agreement (MOA).

The MSB was awarded a \$1,000,000 FY24 Designated Legislative Grant (LEGISLATIVE GRANT) through the State of Alaska Capital Budget to support the needs of MatSu Valley Planning for Transportation (MVP), the newly formed Metropolitan Planning Organization (MPO) located within the MSB. The MSB Mayor and Manager sit on the Policy Board of MVP and share a mutual interest in insuring the success of MVP.

Execution of this MOA facilitates an overarching cooperative agreement to transfer portions of the LEGISLATIVE GRANT funding from the MSB to MVP, to support MVP related plans, projects and expenditures (PROJECTS). Per the MSB's grant agreement (Addendum A) funding may provide for membership fees, annual dues, project management, federal matching funds, legal services, insurance, and other expenditures as allowable. An estimated budget to be funded by the MSB LEGISLATIVE GRANT is attached to this agreement (Addendum B).

This MOA outlines the overarching understanding between the two parties, and PROJECTS' requirements known at the time of this agreement. PROJECTS may require amendments to this agreement or new, project-specific agreements.

II. AUTHORITY

What authority does the MSB have to enter into the agreement with MVP?

Commented [KS1]: MSB please fill out this section as you wish

MVP is a nonprofit corporation registered with the State of Alaska and the Federal Internal Revenue Service.

III. STATEMENT OF WORK

A. MVP Responsibilities

MVP shall:

1. Be a full partner with the MSB on all PROJECTS.
2. Establish a single point-of-contact with sufficient authority and responsibility to communicate to MSB all decisions or notifications required by this agreement.
3. Keep MSB point-of-contact involved with PROJECTS and collaborate with them.
4. Ensure that the FHWA and non-federal matching funds used for the PROJECTS are expended in accordance with project-specific agreements, Federal and State laws, and regulations.
5. Submit itemized invoices to the MSB requesting payment for PROJECTS based on MVP Policy Board approvals, as needed.
6. Keep an accounting of all transferred funds and their balance.
7. Draft any amendments to this agreement or new, project-specific agreements for related PROJECTS.
8. Provide notice to MSB of match requirements as needed.

B. MSB's Responsibilities

MSB shall:

1. Be a full partner with MVP on all PROJECTS.
2. Establish a single point-of-contact with sufficient authority and responsibility to communicate to MVP all decisions or notifications required by this agreement.
3. Within thirty days of receipt of the invoice, provide a one-time payment to MVP for the DOT&PF MVP membership fee as approved by the MVP Policy Board on September 19, 2023, at \$280,970.
4. Within thirty days of receipt of the invoice, provide payment to MVP for DOT&PF MVP annual dues based on PL allocations and the formula approved by the Policy Board for FFY26 and FFY27.

5. Within thirty days of receipt of the invoice, provide payment to MVP for any other expenses identified within the estimated budget (Addendum B), which are determined by both parties to be best administered by MVP.
6. Review information and action items from MVP and provide any necessary responses within fourteen calendar days of receipt.

IV. TERM

This MOA shall become effective on the date of the last signature.

VI. GENERAL PROVISIONS

A. Non-Discrimination:

All activities pursuant to this Agreement shall be in compliance with the requirements of Executive Order 11246; Title VI of the Civil Rights Act of 1964, as amended etc.

VII. MISCELLANEOUS PROVISIONS

A. Amendment or modification of Agreement:

This MOA may only be modified or amended by written agreement signed by authorized representatives for both Parties.

B. The Whole Agreement:

This MOA constitutes the entire agreement between the Parties. There are no other understandings or agreements between the Parties, either oral or memorialized in writing, regarding the matters addressed in this MOA. This MOA may not be amended by the Parties unless an amendment is agreed to in writing, with both Parties signing through their authorized representatives.

C. Assignment:

Without the written consent of MVP, this MOA is not assignable by the MSB either in whole or in part.

D. Third Parties and Responsibilities for Claims:

Nothing in this MOA shall be construed as conferring any legal rights, privileges, or immunities, or imposing any legal duties or obligations, on any person or persons other than the Parties named in this MOA, whether such rights, privileges, immunities, duties or obligations be regarded as contractual, equitable, or beneficial in nature as to such other person or persons. Nothing in this MOA shall be construed as creating any legal relations between MVP and any person performing services or supplying any equipment, materials, goods, or supplies for the Project.

E. Duty of Cooperation:

MVP and MSB agree to provide reasonable access to the PROJECTS and to relevant PROJECTS records, to any authorized representatives of the Parties or U.S. Government. The Parties further agree to cooperate in good faith with inquiries and requests for information relating to the PROJECTS or its obligations under this MOA.

F. Necessary Approvals:

In the event that any election, referendum, ordinance, approval, permit, notice, or other proceeding or authorization is requisite under applicable law to enable the MSB to enter into this MOA or to undertake the PROJECTS, or to observe, assume or carry out any of the provisions of the MOA, the MSB will initiate and consummate, as provided by law, all actions necessary with respect to any such matters so requisite.

G. Joint Drafting:

This MOA has been jointly drafted by the Parties, and each party has had the ability and opportunity to consult with its legal counsel prior to signature. The MOA shall not be construed for or against either party.

IX. SIGNATURES

The undersigned agree to the terms of this Memorandum of Agreement:

MatSu Valley Planning for Transportation (MVP)

Dated: _____ By: _____
Glenda Ledford,
MVP Policy Board Chair

SUBSCRIBED AND SWORN TO OR AFFIRMED before me by Glenda Ledford, who is Policy Board Chair For MatSu Valley Planning For Transportation for Transportation, on this ____ day of _____, 20____.

Notary Public, State of Alaska
My commission expires: _____

Matanuska-Susitna Borough

Dated: _____ By: _____
Mike Brown
Borough Manager, Matanuska-Susitna Borough

SUBSCRIBED AND SWORN TO OR AFFIRMED before me by Mike Brown, who is Borough Manager of the Matanuska-Susitna Borough, a Municipality established under Alaska law, on this ____ day of _____, 20____.

Notary Public, State of Alaska
My commission expires: _____

ADDENDUM B

Grant No. 24-DC-022 METROPOLITAN PLANNING ORGANIZATION SUPPORT \$1,000,000

Project Manager: Kim Sollien

Project Description

Funding will be used to support the formation of MatSu Valley Planning for Transportation (MVP) as the MPO for the Mat-Su Area, which includes providing start-up membership fees and annual dues for the State of Alaska ADOT&PF and hiring an Executive Director to manage the organization. Funding will also be used to provide the non-federal share for the Metropolitan Transportation Plan (MTP), the short-term Transportation Improvement Program (TIP), and related discretionary grant programs.

Proposed Timeline – Five years Beginning in FY2024 through FY2028

Budget Narrative

Project Funds \$ 1,000,000

Estimated Project Budget		
1. ADOT&PF membership fee	\$280,970	
2. ADOT&PF annual dues for five years @ \$25,300 each	\$126,500	
3. 9.03% Non-Federal match for the MTP and TIP for two cycles. \$70,000 x 2=\$140,000	\$140,000	
4. Initial hiring of the executive director, office expenses, and meeting supplies prior to PL fund distribution	\$100,000	
Subtotal		\$647,470.00
Additional Expenses		
5. Discretionary Grant Match at 9.03%	\$152,530	
6. Match for additional Plans non-motorized plan, road/rail plan, transit plans, safety plans, and freight plans	\$100,000	
7. Insurance D&O Insurance, liability insurance, payroll services, IT services, CPA audit, and tax return for year one	\$30,000	
8. Legal consultation for non-profit corporation setup, agreements, and MOU/MOA review	\$20,000	
9. Match reserve for special TIP projects nominated example, Mat-Su CVB Visitor Center Walkway	\$50,000	
Subtotal		\$352,530.00
Total draft budget \$1,000,000		



DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

Designated Legislative Grant Program
Grant Agreement

Grant Agreement Number 24-DC-021		Vendor Number MAB84586		Amount of State Funds \$1,000,000.00	
GAE	Appropriation Unit DE4221004	Lapse Date 06/30/2028	Project Title Metropolitan Planning Organization Support		
Grantee			Department Contact Person		
Name Matanuska-Susitna Borough			Name Lindsay Reese		
Street/PO Box 350 Dahlia Ave			Title Grants Administrator 2		
City/State/Zip Palmer, Alaska 99645			Street/PO Box 550 W. 7th Avenue Ste 1650		
Contact Person Tonya Loyer, Accountant			City/State/Zip Anchorage, Alaska 99501		
Phone 907-861-8585	Fax 907-861-8150		Phone 907-269-7906	Fax 907-269-4539	
Email tonya.loyer@matsugov.us			Email lindsay.reese@alaska.gov		

AGREEMENT

The Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs (hereinafter 'Department') and **Matanuska-Susitna Borough** (hereinafter 'Grantee') agree as set forth herein.

Section I. The Department shall pay the Grantee for the performance of the project work under the terms outlined in this Agreement. The amount of the payment is based upon project expenses incurred, which are authorized under this Agreement. In no event shall the payment exceed **\$1,000,000.00**.

Section II. The Grantee shall perform all of the work required by this Agreement.

Section III. The work to be performed under this Agreement begins **July 1, 2023**, and shall be completed no later than **June 30, 2028**.

Section IV. The Agreement consists of this page and the following:

ATTACHMENTS

- Attachment A: Scope of Work
 - 1. Project Description
 - 2. Project Budget
 - 3. Project Management
 - 4. Reporting
- Attachment B: Payment Method
- Attachment C: Standard Provisions

AMENDMENTS

Any fully executed amendments to this Agreement

APPENDIX

Appendix A: State Laws and Regulations

Grantee		Department	
Signature		Signature	
Printed Name and Title	Michael Brown, Borough Manager	Printed Name and Title	Kimberly Phillips, Grants Administrator 3
Date	12/26/23	Date	1/2/24

Attachment A Scope of Work

1. Project Description

The purpose of this FY 2024 Designated Legislative Grant in the amount of \$1,000,000.00 *pursuant to the provisions of AS 37.05.315, Grants to Municipalities, SSLA 2023, HB39, Chapter 1, Section 14, Page 86, and Line 13-15* is to provide funding to Matanuska-Susitna Borough (MSB) for the Metropolitan Planning Organization Support (MPOS). The objective of this project is to support the formation of Mat-Su Valley Planning for Transportation (MVP) as the MPOS for the Mat-Su Area. Including to provide start-up membership fees, annual dues for the State of Alaska ADOT&PF and hiring an Executive Director to manage the organization. In addition to, providing non-federal matching funds for the Metropolitan Transportation Plan (MTP), the short-term Transportation Improvement Program (TIP).

This project may include the following items:

- Membership Fees
- Annual Dues
- Project Management
- Federal matching funds
- Legal
- Insurance

Additional expenditures must be reasonable and relative to the project objective and may require preapproval by the department.

No more than five percent (5%) of the total grant award may be reimbursed for administrative expenses for projects involving equipment purchase or repairs and no more than ten percent (10%) of the total grant award may be reimbursed for administrative expenses for all other projects. To be reimbursed for eligible administrative costs, expenses must be reported on the Designated Legislative Grant Financial/Progress Report form.

2. Project Budget

Cost Category	Total Project Costs
Project Funds	\$1,000,000.00
Administration	\$0.00
Total Grant Funds	\$1,000,000.00

3. Project Management

This project will be managed by the Grantee.

Signatory authority for execution of the Grant Agreement and subsequent amendments is granted to the chief administrator. For grants appropriated to a municipality, the mayor is the chief administrator unless the municipality operates a managerial form of government; then the city manager/administrator acts as the chief administrator. For named recipients and unincorporated communities, the executive director or highest-ranking official will act as chief administrator.

The chief administrator may delegate authority for executing the Grant Agreement and amendments to others within the Grantee's organization via the Signatory Authority Form. The chief administrator also designates financial and performance progress reporting authority via the Signatory Authority Form. Such delegation is limited to others within the Grantee's organization unless otherwise approved by the Department.

The Grantee must establish and maintain separate accounting for the use of this grant. The use of grant funds in any manner contrary to the terms and conditions of this Grant Agreement may result in the subsequent revocation of the grant and any balance of funds under the grant. It may also result in the Grantee being required to return such amounts to the State.

If applicable under state law, grantees must be registered and in good standing with the Department of Commerce, Community and Economic Development's Division of Corporations, Business and Professional Licensing.

4. Reporting

The Grantee shall submit a Designated Legislative Grant Financial/Progress Report Form provided by the Department each month, or quarterly, with the concurrence of the Department, during the life of the Grant Agreement. Grant Financial/Progress Report Forms are due thirty (30) days after the end of the month or quarter being reported. The report period is the first of the month through the last day of the month. If quarterly reporting is approved, the report period is the first day of the first month through the last day of the third month of the quarter. The final Financial/Progress Reports must be submitted within thirty (30) days following completion of the project.

Attachment B Payment Method

1. Reimbursement Payment

Upon receiving and approving a Grantee's Financial/Progress Report, the Department will reimburse the Grantee for expenditures paid during the reporting period, in accordance with this Grant Agreement. The Department will not reimburse without approved Financial/Progress Reports, prepared and submitted by the Grantee on the form provided by the Department. Before approving the financial/progress report for payment, the Department may require the Grantee to submit documentation of the costs reported (e.g., copies of vendor billings/invoices and proof of payment, general ledger expenditure report).

2. Advance Payment

In most instances, the Department will make payment to a Grantee on a cost reimbursable basis. If cost reimbursement significantly inhibits the Grantee's ability to implement the project, the Department may advance to the Grantee an amount not to exceed a projected thirty (30) day cash need, or twenty percent (20%) of the amount in Section I, whichever is less.

Before the Department will issue an advance, the Grantee must submit a "Request for Advance Payment" form along with documentation of costs associated with the advance. The "Request for Advance Payment" form can be obtained from the Department electronically or in hard copy.

All advances will be recovered with the Grantee's next Financial/Progress Report form. Should earned payments during the terms of this Grant Agreement be insufficient to recover the full amount of the advance, the Grantee will repay the unrecovered amount to the Department when requested to do so by the Department, or at termination of the Grant Agreement.

3. Withholding of Ten Percent (10%)

The Department may withhold ten percent (10%) of the amount in Section I until the Department determines that the Grantee has satisfactorily completed the terms of this Grant Agreement, including all required reporting of the project.

Attachment C Standard Provisions

Article 1. Definition

"Department" refers to the Department of Commerce, Community, and Economic Development with the State of Alaska.

Article 2. Indemnification

It is understood and agreed that this Grant Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of the Grant Agreement.

The Grantee, its successors and assigns, will protect, save, and hold harmless the Department and the State of Alaska and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of the Grantee, its subcontractors, assigns, agents, contractors, licenses, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Grant Agreement. The Grantee further agrees to defend the Department and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney's fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Grant Agreement. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Department of the State of Alaska or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Department and the State of Alaska and their agents or employees, and (b) the Grantee, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee, or Grantee's agents or employees.

Article 3. Legal Authority

The Grantee certifies that it possesses legal authority to accept grant funds under the State of Alaska and to execute the project described in this Grant Agreement by signing the Grant Agreement document. The Grantee's relation to the Department and the State of Alaska shall be at all times as an independent Grantee.

Article 4. Waivers

No conditions or provisions of this Grant Agreement can be waived unless approved by the Department in writing. The Department's failure to insist upon strict performance of any provision of the Grant Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

Article 5. Access to Records

The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Grant Agreement.

Article 6. Reports

The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final close-out report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.

Article 7. Retention of Records

The Grantee shall retain financial and other records relating to the performance of this Grant Agreement for a period of six years from the date when the final financial status report is submitted to the Department, or until final resolution of any audit findings, claims, or litigation related to the grant.

Article 8. Assignability

The Grantee shall not assign any interest in this Grant Agreement and shall not transfer any interest in the same (whether by assignment or novation).

Article 9. Financial Management and Accounting

The Grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles.

Article 10. Program Income

Program income earned during the award period shall be retained by the Grantee and added to the funds committed to the award and used for the purpose and under the conditions applicable to the use of award funds.

Article 11. Amendments and Modifications

The Grantee or the Department may request an amendment or modification of this Grant Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee.

Article 12. Procurement

Grantees may utilize their own written procurement procedures, provided they reflect applicable state and local laws and regulations and conform to the standards identified in AS 36.30.

Article 13. State Excluded Parties List Report

The grantee is responsible for ensuring that all sub-grantees or sub-contractors are not listed on the 'Excluded Parties List Report', which identifies those parties excluded from receiving State contracts.

Article 14. Recordkeeping

The Grantee agrees to keep such records as the Department may require. Such records will include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. They will also include information pertaining to project performance and efforts to comply with the provisions of the Grant Agreement.

Article 15. Obligations Regarding Third-Party Relationships

None of the Work specified in this Grant Agreement shall be contracted by the Grantee without prior approval of the Department. No permission for subcontracting shall create, between the Department or the State of Alaska and the subcontractor, any contract or any relationship.

The Grantee shall remain fully obligated under the provisions of this Grant Agreement notwithstanding its designation of any third party or parties of the undertaking of all or any part of the project described herein. Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all applicable provisions of this Grant Agreement.

The Grantee shall bind all subcontractors to each and every applicable Grant Agreement provision. Each subcontract for work to be performed with funds granted under this Grant Agreement shall specifically include a provision that the Department and the State of Alaska are not liable for damages or claims from damages arising from any subcontractor's performance or activities under the terms of the subcontracts.

Article 16. Conflict of Interest

No officer or employee of the Department; no member, officer, or employee of the Grantee or its designees or agents; no member of the governing body of the jurisdiction in which the project is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Grant Agreement.

The Grantee shall incorporate, or cause to incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this provision.

Article 17. Political Activity

No portion of the funds provided hereunder shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

Article 18. Notices

The Grantee shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

Article 19. Prohibition Against Payment of Bonus or Commission

The assistance provided under this Grant Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this contract provided, however, that reasonable fees of bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

Article 20. Termination by Mutual Agreement

This Grant Agreement may be terminated, in whole or in part, prior to the completion of contract project activities when both parties agree that continuation is not feasible or would not produce beneficial results commensurate with the further expenditure of funds. The Department will determine whether an environmental review of the cancellation is required under State and/or Federal law. The parties must agree on the termination conditions, including effective date and the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible. The Department shall make funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

Article 21. Termination for Cause

If the Grantee fails to comply with the terms of this Grant Agreement, or fails to use the grant for only those purposes set forth herein, the Department may take the following actions:

- A. Suspension – After notice in writing by certified mail to the Grantee, suspend the grant and withhold any further payment or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate. Response must be received within fifteen (15) days of receipt of the written notice.
- B. Termination – Terminate the grant in whole or in part, at any time before the final grant payment is made. The Department shall promptly notify the Grantee in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Grantee or recoveries by the Department shall be in accordance with the legal rights and liabilities of the parties.

Article 22. Withdrawal of Funds

In the event funding from the state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant Agreement and prior to normal completion, the Department may terminate the agreement, reduce funding, or re-negotiate subject to those new funding limitations and conditions. A termination under this article shall be implemented under the same conditions as a termination under Article 20 of this Attachment.

Article 23. Recovery of Funds

In the event of a default or violation of the terms of the Grant Agreement by the Grantee, the Department may institute actions to recover all, or part of the project funds paid to the Grantee. Repayment by the Grantee of grant funds under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Department by this agreement, or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Department's option.

Article 24. Disputes

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement that is not disposed of by mutual agreement shall be decided by the Department, which shall reduce its decision to writing and mail, or otherwise furnish a copy thereof, to the Grantee. The decision of the Department shall be final and conclusive.

This "Disputes" clause does not preclude the consideration of questions of law in connection with the decision provided for in the preceding paragraph provided that nothing in the Grant Agreement shall be construed as making final the decisions of any administrative official, representative, or board on a question of law.

Article 25. Jurisdiction

This Grant Agreement shall be governed by the laws and statutes of the State of Alaska. The venue of any suit hereunder may be in the Superior Court for the First Judicial District, Juneau, Alaska.

Article 26. Ownership of Project/Capital Facilities

The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Grant Agreement and, by this grant of funds, does not and will not acquire any ownership interest or title to such property of the Grantee. The Grantee shall assume all liabilities arising from the ownership and operation of the project and agrees to hold the Department and the State of Alaska harmless from any and all causes of action arising from the ownership and operation of the project.

Article 27. Site Control

If the grant project involves the occupancy and use of real property, the Grantee assures that it has the legal right to occupy and use such real property for the purposes of the grant, and further that there is legal access to such property.

As a minimum requirement, the Grantee should obtain a "sufficient interest" that allows the Grantee the right to use and occupy the site for the expected useful life of the building, structure or other improvement. Generally, the interest obtained should be for at least 20 years. A sufficient interest depends upon the nature of the project and the land status of the site.

Article 28. Insurance

The Grantee is responsible for obtaining any necessary liability insurance and maintain in force at all times during the performance of this Grant Agreement the insurance policies identified below. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under Alaska Statute AS 21. The Grantee shall require any contractor hired to work on the project be licensed, bonded and insured for at least the amount of the project and if appropriate provide and maintain Professional Liability Insurance.

- A. Workers' Compensation Insurance for all employees engaged in work under this Grant Agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements.
- B. Commercial General Liability Insurance covering all business premises and operations used by the Grantee in the performance of this project and Grant Agreement with coverage limits not less than \$300,000 combined single limit per occurrence and annual aggregates where applicable.
- C. Comprehensive Automobile Liability Insurance covering all vehicles used by the Grantee in the performance of this project and Grant Agreement with coverage limits not less than \$100,000 per person/\$300,000 per occurrence bodily injury and \$50,000.00 property damage.
- D. Professional Liability Insurance covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this contract which result in financial loss to the State. Limits required are per the following schedule:

Contract Amount Minimum Required Limits

Under \$100,000 \$100,000 per occurrence/annual aggregate

Article 29. Subcontracts for Engineering Services

In the event that the Grantee subcontracts for engineering services, the Grantee will require that the engineering firm certify that it is authorized to do business in the State of Alaska. In the event that the engineering firm is also the project administrator, the Grantee shall require that the bond or insurance shall be for not less than the amount of the entire project.

Article 30. Governing law

This Grant Agreement is governed by the laws of the State of Alaska. The Grantee shall perform all aspects of this project in compliance with the appropriate laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operation of this project by the Federal, State, or Local governments have been obtained.

Article 31. Budget Flexibility

Notwithstanding the provisions of Article 11, Attachment C, the Grantee may revise the project budget in Attachment A without a formal amendment to this agreement. Such revisions are limited within each line item to a maximum of ten percent (10%) of the line item or \$10,000, whichever is less, over the entire term of this agreement. Such budget revisions shall be limited to changes to existing budget line items. Budget revisions may not be used to increase any budget item for project administrative expenses. Changes to the budget beyond the limits authorized by this provision may only be made by a formal amendment to this agreement.

Article 32. Equal Employment Opportunity (EEO)

The Grantee may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The Grantee shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The Grantee shall state, in all solicitations or advertisements for employees to work on state funded projects, that it is an equal opportunity employer (EEO) and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.

The Grantee shall include the provisions of this EEO article in every contract relating to this Grant Agreement and shall require the inclusion of these provisions in every agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor or subcontractor.

Article 33. Americans with Disabilities Act

The Americans with Disabilities Act (ADA) prohibits discrimination against persons with disabilities. Title I of the ADA prohibits discrimination against persons with disabilities in employment and provides that a reasonable accommodation be provided for applicants and employees. Title II of the Act prohibits public agencies from discriminating against individuals with disabilities in the provision of services, programs, or activities. Reasonable accommodation must be made to ensure or allow access to all services, programs, or activities. This section of the Act includes physical access to public facilities and requires that public entities must, if necessary, make modifications to their facilities to remove physical barriers to ensure access by persons with disabilities. All new construction must also be accessible to persons with disabilities. A public entity's subgrantees or contractors must also comply with the ADA provisions. Grantees are responsible for assuring their compliance with the ADA.

Article 34. Public Purposes

The Grantee agrees that the project to which this Grant Agreement relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.

If the Grantee is a non-municipal entity and if monies appropriated under this grant constitute the sole or principal funding source for the acquisition of equipment or facilities, the Grantee agrees that in the event a municipal corporation is formed which possesses the power and jurisdiction to provide for such equipment or facilities, the Grantee shall offer, without compensation, to transfer ownership of such equipment or facilities to the municipal corporation.

If the Grantee is a non-profit corporation that dissolves, the assets and liabilities from the grant project are to be distributed according to statutory law, AS 10.20.290-10.20.452.

Article 35. Operation and Maintenance

Throughout the life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant.

Article 36. Assurance

The Grantee shall spend monies awarded under this grant only for the purposes specified in this Grant Agreement.

Article 37. Current Prevailing Rates of Wage

Certain grant projects are constrained by the provisions of AS 36. PUBLIC CONTRACTS. To the extent that such provisions apply to the project, which is the subject of this Grant Agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. The Grantee also shall require any contractor to pay the current prevailing rates of wage as required by AS 36.05.010.

Article 38. Severability

If any provision under this Grant Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the contract agreement which can be given effect without the invalid provision.

Article 39. Performance

The Department's failure to insist upon the strict performance of any provision of the Grant Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any rights under this Grant Agreement.

Article 40. Sovereign Immunity

If the Grantee is an entity which possesses sovereign immunity, it is a requirement of this grant that the Grantee irrevocably waive its sovereign immunity with respect to state enforcement of this Grant Agreement. The waiver of sovereign immunity, effected by resolution of the entity's governing body, is herein incorporated into this Grant Agreement.

Article 41. Audit Requirements

The Grantee must comply with the audit requirements of the Alaska Administrative Code set forth in **2AAC45.010. AUDIT REQUIREMENTS**. An entity that expends a cumulative or total, equal to the state single audit threshold during the fiscal year is required to have a state single audit. A copy of the most current **2AAC45.010** adopted regulations is available at the Alaska Department of Administration's State Single Audit website: <http://doa.alaska.gov/dof/ssa/index.html>.

Current audit compliance supplements and guides specific to programs under AS 37.05.315 Grants to Municipalities, AS 37.05.316 Grants to Named Recipients, and AS 37.05.317 Grants to Unincorporated Communities can be found at http://doa.alaska.gov/dof/ssa/audit_guide.html.

Article 42. Close-Out

The Department will advise the Grantee to initiate close-out procedures when the Department determines, in consultation with the Grantee, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

- A. All costs to be paid with grant funds have been incurred with the exception of close-out costs and any unsettled third-party claims against the Grantee. Costs are incurred when goods and services are received, or contract work is performed.
- B. The last required performance report has been submitted. The Grantee's failure to submit a report will not preclude the Department from effecting close-out if it is deemed to be in the State's interest. Any excess grant amount that may be in the Grantee's possession shall be returned by the Grantee in the event of the Grantee's failure to finish or update the report.
- C. Other responsibilities of the Grantee under this Grant Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further State interest in keeping the grant open for the purpose of securing performance.

Appendix A State Laws and Regulations and Permits

Grantees are responsible for all applicable state laws, regulations and permits; including but not limited to the following list which most commonly affects Grantees.

Municipality Public Facility Operations and Maintenance—AS 37.05.315(c)

In accepting a grant under AS 37.05.315 for construction of a public facility, a municipality covenants with the State that it will operate and maintain the facility for the practical life of the facility and that the municipality will not look to the State to operate or maintain the facility or pay for its operation or maintenance. This requirement does not apply to a grant for repair or improvement of an existing facility operated or maintained by the State at the time the grant is accepted if the repair or improvement for which the grant is made will not substantially increase the operating or maintenance costs to the State.

Restriction on Use—AS 37.05.321

A grant or earnings from a grant under AS 37.05.315 - 37.05.317 may not be used for the purpose of influencing legislative action. In this section “influencing legislative action” means promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative action but does not include the provision or use of information, statistics, studies, or analyses in written or oral form or format. A grant or earnings from a grant made under AS 37.05.315 - 37.05.317 may not be used for purposes of travel in connection with influencing legislative action unless pursuant to a specific request from a legislator or legislative committee.

Hiring Preferences—AS 36.10

This chapter of the Alaska Statutes applies to grants for public works projects and requires compliance with the hiring preferences under AS 36.10.150 – 36.10.175 for employment generated by the grant.

Historic Preservation Act—AS 41.35

This chapter of the Alaska Statutes applies to public construction of any nature undertaken by the State, or by a governmental agency of the State, or by a private person under contract with or licensed by the State or a governmental agency of the State. The Department of Natural Resources must be notified if the construction is planned for an archaeological site. The Department of Natural Resources may stop the construction to determine the extent of the historic, prehistoric, or archaeological values.

Fire Protection—AS 18.70

This chapter of the Alaska Statutes requires the Alaska Department of Public Safety (the State Fire Marshal) to adopt regulations (currently in the form of Uniform Fire Code, as amended) establishing minimum standards for:

1. Fire detection and suppression equipment;
2. Fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings used for residential purposes containing four or more dwelling units;
3. Any activity in which combustible or explosive materials are stored or handled in commercial quantities;
4. Conditions or activities carried on outside a building described in (2) or (3) likely to cause injury to persons or property.

Procurement Preference for State Agricultural and Fisheries Products—AS 29.71.040

This chapter of the Alaska Statutes applies to municipalities that use state funds to purchase agricultural and fisheries products. The law requires:

1. When agricultural products are purchased, only such products harvested in the state shall be purchased whenever priced no more than seven percent above products harvested outside the state, and of like quality compared with agricultural products harvested outside the state.
2. When fisheries products are purchased, only fisheries products harvested or processed within the jurisdiction of the state shall be purchased whenever priced no more than seven percent above products harvested or processed outside the jurisdiction of the state, available, and of like quality compared with fisheries products harvested or processed outside the jurisdiction of the state.

Alaska Product Preferences—AS 36.15

This chapter of the Alaska Statutes applies to projects financed by state money in which the use of timber, lumber, and manufactured lumber products is required, only timber, lumber and manufactured lumber projects originating in this state from local forests shall be used wherever practicable. The law requires the insertion of this clause in calls for bids and in all contracts awarded.

Permits and Environmental Procedures

The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water, or soil. There are dozens of ADEC permits related to constructing and operating public buildings. The law requires the following permits, including others designated by the commissioner. The following list is not intended to be all-inclusive.

- Air Emissions Permit
- Anadromous Fish Protection Permit
- Authorization for Tidelands Transportation
- Brine or Other Saltwater Waste Disposal Permit
- Burning Permit during Fire Season
- Coal Development Permit
- Critical Habitat Area Permit
- Dam Construction Permit
- Driveway Permit
- Encroachment Permit
- Miscellaneous State Land Use Permit
- Mineral and Geothermal Prospecting Permits
- Occupied Tide and Submerged Land
- Open Burning Permit
- Permit for Use of Timber or Materials
- Permit to Appropriate Water
- Pesticides Permit
- Preferred Use Permit
- Right-of-Way and Easement Permits
- Solid Waste Disposal
- Special Land Use Permit
- State Game Refuge Land Permit
- State Park Incompatible Use Permit
- Surface Oiling Permit
- Surface Use Permit
- Tide and Submerged Lands Prospecting Permit
- Tidelands Permit
- Tidelands Right-of-Way or Easement Permit
- Utility Permit
- Wastewater Disposal Permit
- Water Well Permit

MVP for Transportation Dues Proposal A
Approved September 19, 2023

Government	MVP for Transportation Proposal		
	Population	Membership Fee (\$5/person)	Annuals Dues (\$.45/person)
State of Alaska	56,194	\$ 280,970	\$ 25,287
MatSu Borough	32,696	\$ 163,480	\$ 14,713
City of Wasilla	9,098	\$ 45,490	\$ 4,094
City of Palmer	5,978	\$ 29,890	\$ 2,690
Chickaloon	3,078	\$ 15,390	\$ 1,385
Knik Tribe	5,344	\$ 26,720	\$ 2,405
	112,388	\$ 561,940	\$ 50,575

\$5.00	0.45
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* MPA population minus City populations

[Under 23 USC § 134 – Metropolitan Transportation Planning, Section 11201, requires:](#)

(a) Policy (3) “In designating official or representatives under paragraph (2) **for the first time**, subject to the bylaws or enabling statute of the metropolitan planning organization, the MPO shall consider the equitable and proportional representation of the population of the MPA.”

Additional Considerations:

First Year	Estimates	Match Required If Federally funded
Obligate MTP	\$500,000+	\$49,632
Transcad Modeling	\$200,000	\$19,853
		\$69,485

Will not be full staffed in FFY24

Transit Planning may not be by the MPO, which may lessen match burden

State funding: will it be available for some of the startup expenses and MTP/Modeling

INVOICE #100



MVP for Transportation PO Box 2587, Palmer AK
907-982-9080

DATE

BILL TO

Matanuska-Susitna Borough

350 E. Dahlia Ave, Palmer AK 99645
907-861-7801

FOR

Membership Fee

Details

AMOUNT

Membership fee based on population

\$163,480.00

See attached MOU and fee agreement

SUBTOTAL \$163,480.00

OTHER \$0.00

TOTAL \$163,480.00

Make checks payable to MatSu Valley Planning for Transportation

If you have any questions concerning this invoice, use the following contact information:

Kim Sollien via email at kim.sollien@fastplanning.us or by phone 907-982-9080

INVOICE #101



MVP for Transportation PO Box 2587, Palmer AK
907-982-9080

DATE

BILL TO

City of Wasilla

290 E. Herning Ave, Wasilla, AK 99654
907-373-9050

FOR

MVP for Transportation Membership
Fee

Details

AMOUNT

Membership fee based on population

\$45,490.00

See attached MOU and fee agreement

SUBTOTAL \$45,490.00

OTHER \$0.00

TOTAL \$45,490.00

Make checks payable to MatSu Valley Planning for Transportation

If you have any questions concerning this invoice, use the following contact information:

Kim Sollien via email at kim.sollien@fastplanning.us or by phone 907-982-9080

INVOICE #103



MVP for Transportation PO Box 2587, Palmer AK
907-982-9080

DATE

BILL TO

City of Palmer

231 West Evergreen Ave, Palmer AK 99645

FOR

MVP for Transportation Membership
Fee

Details

AMOUNT

Membership fee based on population

\$29,890.00

See attached MOU and fee agreement

SUBTOTAL \$29,890.00

OTHER \$0.00

TOTAL \$29,890.00

Make checks payable to MatSu Valley Planning for Transportation

If you have any questions concerning this invoice, use the following contact information:

Kim Sollien via email at kim.sollien@fastplanning.us or by phone 907-982-9080

INVOICE #104



MVP for Transportation PO Box 2587, Palmer AK
907-982-9080

DATE

BILL TO

Knik Tribe c/o Bob Charles

1744 Prospect Dr, Palmer, AK, 99645
907-373-7991

FOR

MVP for Transportation Membership
Fee

Details

AMOUNT

Membership fee based on population	\$26,720.00
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See attached MOU and fee agreement	
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SUBTOTAL	\$26,720.00
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OTHER	\$0.00
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TOTAL	\$26,720.00
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Make checks payable to MatSu Valley Planning for Transportation

If you have any questions concerning this invoice, use the following contact information:

Kim Sollien via email at kim.sollien@fastplanning.us or by phone 907-982-9080

INVOICE #105



MVP for Transportation PO Box 2587, Palmer AK
907-982-9080

DATE

BILL TO

Chickaloon Native Village c/o Brian Winnestaffer

9255 N. Glenn Hwy, Palmer AK, 99645
907-745-0749

FOR

MVP for Transportation Membership
Fee

Details

AMOUNT

Membership fee based on population	\$15,390.00
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See attached MOU and fee agreement	
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SUBTOTAL	\$15,390.00
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OTHER	\$0.00
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TOTAL	\$15,390.00
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Make checks payable to MatSu Valley Planning for Transportation

If you have any questions concerning this invoice, use the following contact information:

Kim Sollien via email at kim.sollien@fastplanning.us or by phone 907-982-9080



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

MATSU VALLEY PLANNING MVP FOR
TRANSPORTATION
290 EAST HERNING AVENUE
WASILLA, AK 99654-7030

Date:
10/16/2024
Employer ID number:
33-1271929
Person to contact:
Name: Alex Nagel
ID number: 4338542
Telephone: 877-829-5500
Accounting period ending:
September 30
Public charity status:
170(b)(1)(A)(vi)
Form 990 / 990-EZ / 990-N required:
Yes
Effective date of exemption:
February 15, 2024
Contribution deductibility:
Yes
Addendum applies:
No
DLN:
26053684006404

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements



U.S. DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION
ALASKA DIVISION
709 W. 9TH STREET, ROOM 851
P.O. BOX 21648
JUNEAU, ALASKA 99802-1648

FEDERAL TRANSIT ADMINISTRATION 915
SECOND AVENUE, SUITE 3192
SEATTLE, WASHINGTON 98174

September 26, 2024

Mr. Ryan Anderson, P.E., Commissioner
Alaska Department of Transportation and Public Facilities
P.O. Box 112500
3132 Channel Drive
Juneau, AK 99811

Subject: 2024 – 2027 Alaska State Transportation Improvement Program (STIP) Amendment #1

Dear Mr. Anderson:

On August 28, 2024, we received the Department of Transportation & Public Facilities (DOT&PF) 2024 – 2027 Statewide Transportation Improvement Plan (STIP) Amendment #1. Upon thorough review of the STIP submittal, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) have determined that pursuant to 23 CFR 450.220(b)(1)(iii), the STIP Amendment #1 is Partially Approved. The following projects and language are excluded from STIP approval:

- 34545 - Chena River Railroad Bridge Replacement – ARRC
- 34547 - City of North Pole: Alaska, Drainage Project - City of North Pole
- 34130 - Richardson Highway Milepost 346 Northbound Chena Bridge Replacement
- 12641 – Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]
- 34564 - Fast End Roads Design Refresh - Nome Eskimo Community
- 34567 - High Ridge Road Phase Two - Igiugig Village
- 34578 - Manokotak First, Second, Third Street Rehabilitation Road Project - Manokotak Village
- 34583 - Minto Community Street Improvement - Native Village of Minto
- 34587 - Old John Lake Trail -Arctic Village Council

- 34590 - Pedro Bay Landfill Access Road - Pedro Bay Village
- 34608 - Tribal Way Road Improvement- Sitka Tribe of Alaska
- 34625 - White Mountain Community Streets - Native Village of White Mountain
- 34562 - Ekwok Road Spot Safety Improvements Preliminary Engineering - Native Village of Ekwok
- 34568 - Hillcrest Drive and Bayou Loop Road Safety Improvements Design Project - Native Village of Clarks Point
- 34569 - Huslia Streetlight Illumination Project - Huslia Village
- 34571 - Kasaan Access Road Killer Hill Realignment- Organized Village of Kasaan
- 34577 - Main Street Spot Safety Improvements Preliminary Engineering - Native Village of New Stuyahok
- 34582 - Mile Post 111.5 Richardson Highway Turn Lanes Project - Native Village of Gakona
- 34584 - Naknek Pedestrian Path Construction Project - Naknek Native Village Council
- 34586 - Nerka Infrastructure Safety Improvements - Curyung Tribal Council
- 34591 - Pilot Point Brush Cutting & Signs Program Startup - Native Village of Pilot Point
- 34593 - Preliminary Engineering for Safety Improvements on Walden Point Road and Airport Road - Metlakatla Indian Community
- 34605 - Systemic Application of Roadway Departure Countermeasures - Native Village of Noatak
- The statement in STIP Narrative, Advance Construction section, stating, “Payback of advance construction may be considered through administrative actions versus STIP amendments.”

FHWA and FTA are required to make a joint Federal Planning Finding (FPF) on the extent to which the transportation planning processes through which statewide transportation plans and programs are developed is consistent with 23 U.S.C. 134 and 135 (for FHWA) and 49 U.S.C. 5303 and 5304 (for FTA). The FPF review includes a determination whether the STIP Amendment #1 and the Metropolitan Planning Organization (MPO) Transportation Improvement Programs (TIPs) were developed in accordance with applicable requirements. The issuance of a FPF is a prerequisite to FHWA and FTA’s approval of the STIP and STIP amendments (23 U.S.C. 135(g)(7) and 49 U.S.C. 5304(g)(7)).

This FPF provides the conditions by which the STIP Amendment is approved. The FPF provides corrective actions reflecting non-compliance with the Federal regulations and recommendations to support improvements to the planning and STIP development processes. All corrective actions must be addressed through the development of a STIP Action Plan. This Action Plan will be developed in coordination with FHWA and FTA and will result in at least monthly status meetings to ensure timely resolution of all corrective actions.

We appreciate the DOT&PF’s engagement over the months to improve the STIP and coordination processes and look forward to the advancement of projects in Alaska.

If you have any questions, please reach out to Julie Jenkins at julie.jenkins@dot.gov and Ned Conroy at ned.conroy@dot.gov.

Sincerely,

Sandra A. Garcia-Aline
Division Administrator
Federal Highway Administration
Alaska Division

Susan Fletcher, P.E.
Regional Administrator
Federal Transit Administration
Region 10

Attachment:

Federal Planning Finding (FPF)

Electronically cc:

Katherine Keith, Deputy Commissioner, DOT&PF

Dom Pannone, Director, Program Management and Administration, DOT&PF

Ned Conroy, FTA, Senior Community Planner

Aaron Jongenelen, AMATS, Planning Manager and MPO Coordinator

Jackson Fox, FAST Planning, Executive Director

Kim Sollien, MatSu MVP, MPO Coordinator

Alaska

2024-2027 Statewide Transportation Improvement Program

Amendment #1

Federal Planning Finding

Introduction

Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) are required to make a joint Federal Planning Finding (FPF) on the extent to which the transportation planning processes through which statewide transportation plans and programs are developed is consistent with 23 U.S.C. 134 and 135 (for FHWA) and 49 U.S.C. 5303 and 5304 (for FTA). The FPF review includes a determination whether the Statewide Transportation Improvement Program (STIP) and the Metropolitan Planning Organization (MPO) Transportation Improvement Programs (TIPs) were developed in accordance with applicable requirements. The issuance of a FPF is a prerequisite to FHWA and FTA's approval of the STIP and STIP amendments (23 U.S.C. 135(g)(7) and 49 U.S.C. 5304(g)(7)).

While Alaska Department of Transportation & Public Facilities (DOT&PF) have made many improvements throughout STIP Amendment #1, there remain several key issues that must be resolved in order to meet the requirements of 23 U.S.C. 134 and 135 and 49 U.S.C. Therefore, the FPF for the Alaska DOT&PF STIP Amendment #1 contains many of the same Corrective Actions and Recommendations previously identified in the March 27, 2024 Federal Planning Finding.

Resolution of the Corrective Actions and, as appropriate, the Recommendations identified in this FPF will be accomplished through the joint development of a STIP Action Plan. This Action Plan will be developed in coordination among the Alaska DOT&PF, FHWA and FTA. For each Corrective Action and, as appropriate, each Recommendation, the Action Plan will:

- Identify tasks to be taken to resolve the Corrective Action or Recommendation;
- Assign staff within the DOT&PF and MPOs (as appropriate) to lead the execution of the tasks;
- Commit to a date specific deadline to resolve the Corrective Action or Recommendation.

FHWA and FTA will establish at least monthly meetings to review the STIP Action plan progress and to discuss and address key issues or concerns. The Action Plan must be developed in coordination with FHWA and FTA and must be completed by December 6, 2024, and submitted to FHWA and FTA by that date.

Federal Action Definitions

The FPF outlines the Federal planning regulations for which there are findings based on review of the

STIP and other required planning processes and activities. Findings act as the official record for what State DOTs and MPOs are doing well, where improvements are needed and where there are compliance issues that must be resolved. For each finding, a Federal action is also documented. These actions are defined as:

- **Corrective Actions:** Items that do not meet statutory and regulatory requirements. Each corrective action requires action by the State and/or MPO.
- **Recommendations:** Items that meet the statutory and regulatory requirements but may represent opportunities to improve the transportation planning processes.
- **Commendations:** A planning activity that demonstrates innovative, highly effective, well-thought-out procedures for implementing the planning requirements or represents a national model for implementation and can be cited as an example for others.

Status of March 27, 2024, Corrective Actions

Tier 2 Corrective Actions	Corrective Actions	FHWA/FTA Determination
1. 23 CFR 450.208 Coordination of Planning Process Activities	a. The DOT&PF must develop and implement processes and procedures for a continuing, cooperative and comprehensive planning process that meets the requirements of 23 CFR 450.208. These documented procedures should also include the DOT&PF's role and responsibility for oversight of MPOs, and procedures for air quality conformity, Unified Planning Work Program development, MPO Certifications, STIP development, and other joint planning processes.	Unresolved
2. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.	b. The STIP must document the public involvement processes including the involvement and coordination with affected local and appointed officials and the disposition of public comments.	Resolved
	c. The STIP must provide access to or include the disposition of public comments.	Unresolved
	d. The DOT&PF must develop and/or document the Tribal consultation process used to establish the formal Tribal consultation processes used to engage and consult with each Federally recognized Tribe in Alaska. Tribal consultation must be demonstrated and documented for all Federal planning and programming processes including in the STIP.	Resolved
3. 23 CFR 450.218 Development and Content of the Statewide Transportation Improvement Program (STIP)	e. As part of the coordination processes, the STIP must document and reference the TTIP and FLMA TIP. This includes where these documents are located within the STIP, and the processes used to include these documents upon availability.	Resolved
4. 23 CFR 450.218 (h)(2) Total Project Cost	f. Each project programmed in the STIP must document the estimated total cost of the project. This includes all phases and all funds spent in previous STIPs and anticipated for future years beyond the last year of the STIP.	Resolved
5. 23 CFR 450.218(l) – Year of Expenditure:	g. All costs and revenue estimates identified in the STIP must reflect YOY and be based on an inflation factor consistent with state policies.	Resolved
6. 23 CFR 450.218(m) Fiscal Constraint	h. The term “LEDGER” must be defined and documented in the STIP. Any use of the term must be done so consistently with the documented definition.	Resolved
	i. The fiscal constraint demonstration must include all Federal, State, and local funds included in the	Unresolved

	STIP. For TIPs included by reference, funds may be aggregated by source (and by year) and demonstrated for funds programmed within each TIP.	
	j. Color coding used within the document must be defined and clarified as it relates to fiscal constraint.	Resolved
	k. The following language must be removed from the STIP, or clarified as a project with a project number and project details within Volume 1 Projects and Programs: <ul style="list-style-type: none"> • STIP Narrative: Page 131 – “FBF - Ferry Boat Funds (STBG)” 	Resolved
8. 23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming	l. The STIP must, to the extent practicable, provide a discussion of the anticipated effect of the STIP toward achieving the performance targets identified by the State.	Resolved
	m. The STIP must also clarify the performance-based planning processes and the project selection processes that support the investment priorities programmed in the STIP.	Unresolved
9. 23 CFR 450.336(b) - Transportation Management Area Certification Review	The corrective actions must be resolved as described in the Anchorage Metropolitan Area Transportation Solutions (AMATS) 2023 Transportation Management Area Certification Review.	Resolved

Status of March 27, 2024, Recommendations

Tier 2 Corrective Actions	Recommendations	FHWA/FTA Determination
2. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.	a. While the DOT&PF’s public participation requirements were followed in the development of the STIP, the public participation processes do not address how the public will be engaged when significant changes take place for documents such as the STIP prior to adoption or submittal for Federal approval. The public participation process should document processes to engage the public when significant changes are made to Federal documents and how the disposition of public comments are made available.	Not Addressed
3. 23 CFR 450.218 Development and Content of the Statewide Transportation	b. The State DOT, in cooperation with local elected officials and officials of agencies that administer or operate major modes of transportation in the MVP planning area, should meet to jointly determine an interim program of projects. Until a Metropolitan	Addressed

Improvement Program (STIP)	Transportation Plan (MTP) and Transportation Improvement Program (TIP) are approved by the new MPO, an interim program of projects should continue to be programmed annually in the Statewide Transportation Improvement Program (STIP) for all projects to be funded under 23 U.S.C. and 49 U.S.C. Chapter 53. This interim program of projects should be separately identified in the STIP. Upon the approval of a new TIP, the State DOT should amend the STIP to fully incorporate the MVP TIP.	
6. 23 CFR 450.218(p) – STIP Amendment and Modifications	c. The DOT&PF should coordinate with MPOs, FHWA and FTA to review and revise the STIP and TIP modification procedures to streamline the processes and ensure a responsive, timely approach to TIP and STIP management.	Not Addressed

Alaska DOT&PF STIP Amendment #1: Findings and Federal Actions

1. 23 CFR 450.218 Development and content of the statewide transportation improvement program (STIP)

STIP Amendment #1 Findings:

The Alaska Department of Transportation & Public Facilities (DOT&PF) STIP Amendment #1 provides over 1600 pages of material relevant to the planning, prioritization and selection of projects programmed for Federal funds from Federal Fiscal Year (FFY) 2024 through 2027. A Narrative document provides details relevant to the development and execution of the STIP while the data and programming of projects is documented in four subsequent Volumes.

Project data and information is provided in multiple ways, including numerical order, alphabetical order, and by fund source or type. Information is also cross referenced in a variety of tables by project title, location, numerical code. Detailed project pages are provided that are linked to various on-line search engines creating a dynamic approach to additional information relevant to most projects programmed in the STIP. Unfortunately, information is inconsistent between various tables and resources (as is noted below). Errors appear to be common, creating confusion about the information presented for some projects.

On-line the public has access to additional tables and resources that provide dynamic ways in which data and project information can be viewed and dissected. While it is clear the DOT&PF is interested in transparency, the level of permutations of the information offered in the STIP is actually more confusing because of the errors and discrepancies among the various documents and materials. This does raise a question whether the bulk of this information supports the public interested in following the process and learning about the projects in their specific area of interest.

The Alaska STIP Amendment #1, Volume 3 provides a Change Log documenting all projects included in the original partially approved STIP and those considered or included in STIP Amendment #1 submitted for Federal approval. The Change Log provides the project Need ID and the project name as the identifier. For each project there is either a yes or no indicating that it was either in the Original STIP, the STIP Amendment released to the Public, or included in the final STIP Amendment #1 submitted for Federal approval.

Corrective Action:

a. The following projects are excluded from approval of STIP Amendment #1. Any project located within an MPO's approved Urban Area Boundary or Metropolitan Planning Area Boundary, must be included in the MPO TIP. Once amended into the MPO TIP, the TIP amendment can be amended into the AK DOT&PF's STIP without modification. Excluded MPO projects include:

- 34545 - Chena River Railroad Bridge Replacement – ARRC
- 34547 - City of North Pole: Alaska, Drainage Project - City of North Pole
- 34130 - Richardson Highway Milepost 346 Northbound Chena Bridge Replacement

b. The following projects are excluded from approval of STIP Amendment #1. Any project funded with Tribal funds must be included in the Tribal Transportation Improvement Program (TTIP). The TTIP is

included into the STIP by reference and without modification. This includes all projects funded through Tribal program dollars Excluded Tribal projects include:

- 34564 - Fast End Roads Design Refresh - Nome Eskimo Community
- 34567 - High Ridge Road Phase Two - Igiugig Village
- 34578 - Manokotak First, Second, Third Street Rehabilitation Road Project - Manokotak Village
- 34583 - Minto Community Street Improvement - Native Village of Minto
- 34587 - Old John Lake Trail -Arctic Village Council
- 34590 - Pedro Bay Landfill Access Road - Pedro Bay Village
- 34608 - Tribal Way Road Improvement- Sitka Tribe of Alaska
- 34625 - White Mountain Community Streets - Native Village of White Mountain
- 34562 - Ekwok Road Spot Safety Improvements Preliminary Engineering - Native Village of Ekwok
- 34568 - Hillcrest Drive and Bayou Loop Road Safety Improvements Design Project - Native Village of Clarks Point
- 34569 - Huslia Streetlight Illumination Project - Huslia Village
- 34571 - Kasaan Access Road Killer Hill Realignment- Organized Village of Kasaan
- 34577 - Main Street Spot Safety Improvements Preliminary Engineering - Native Village of New Stuyahok
- 34582 - Mile Post 111.5 Richardson Highway Turn Lanes Project - Native Village of Gakona
- 34584 - Naknek Pedestrian Path Construction Project - Naknek Native Village Council
- 34586 - Nerka Infrastructure Safety Improvements - Curyung Tribal Council
- 34591 - Pilot Point Brush Cutting & Signs Program Startup - Native Village of Pilot Point
- 34593 - Preliminary Engineering for Safety Improvements on Walden Point Road and Airport Road - Metlakatla Indian Community
- 34605 - Systemic Application of Roadway Departure Countermeasures - Native Village of Noatak

Recommendations:

a. Due to the voluminous nature of Alaska DOT&PF's STIP Amendment #1, and the inconsistencies found among the various tables and data sets, we recommend significant simplification of the STIP to ensure requirements are met and to ensure information remains transparent but is easy to access and use.

b. To support an expedited review process and provide clarity to all stakeholders, in the future any proposed STIP amendment should only include those projects that are being amended along with the fiscal constraint demonstration to support the amendment.

2. 23 CFR 450.208 Coordination of Planning Process Activities

STIP Amendment #1 Findings:

The DOT&PF developed an internal Alaska DOT&PF document that describes collaborative efforts between the DOT&PF and the MPOs in the development and management of the STIP. Development of this draft included a working session with three MPOs, FHWA, and FTA. This document is described as part of the DOT&PF Planning Manual. DOT&PF has committed to lead this effort through MPO technical and policy board work sessions, which is currently underway. However, it's not clear whether the coordination process is inculcated throughout the DOT&PF or whether coordination between the DOT&PF and the MPOs will improve. To this point, the DOT&PF has not taken action on the Fairbanks Area Surface Transportation MPO's revised Metropolitan Area Planning boundaries, which is critical to the MPO's ability to update their Metropolitan Transportation Plan (MTP). In addition, the FHWA and

FTA received several comments from Alaska MPO's Executive Directors indicating a lack of coordination in the development of the draft STIP amendment #1, which resulted in continued errors documented in the public facing draft and that have not all been addressed in the final STIP amendment #1. These errors could impact the timely delivery of programs and/or projects.

Alaska STIP Amendment #1, Volume 2 includes each MPO's Transportation Improvement Program (TIP) and the complete text of each MPO's MTP. The inclusion of the MPO TIPs is appropriate given that the documents are required to be part of the overall Statewide STIP either by reference or completely without modification (23 CFR 450.218(b)). However, the inclusion of the MPO's MTPs in the STIP, it gives the appearance that Alaska DOT &PF and/or FHWA and FTA are by extension providing approval of the MPO MTPs through the approval of the STIP or STIP Amendments. Neither Alaska DOT&PF or FHWA and FTA have the authority to approve or disapprove an MPO's MTP.

Corrective Action:

c. The DOT&PF must develop and implement processes and procedures for a continuing, cooperative, and comprehensive planning process that meets the requirements of 23 CFR 450.208. These documented procedures should result in a tangible demonstration of coordination among the MPOs and the DOT&PF such that information is coordinated among the agencies in the development of documents including the STIP and STIP amendments. In addition, this coordination must provide for timely resolution of differences to ensure MPO processes are supported and before draft documents are released for public review.

Recommendation:

c. Neither Alaska DOT&PF or FHWA and FTA have the authority to approve or disapprove an MPO's MTP, therefore, the MPO MTPs should be removed from the STIP documentation.

3. 23 CFR 450.210 Interested Parties, Public Involvement, and Consultation.

STIP Amendment #1 Finding:

STIP Amendment #1, Volume 3, Engagement Summary, provides an overview of the public engagement procedures used for STIP Amendment #1 and the Alaska DOT&PF's process to involve and coordinate with affected local and appointed officials. It also provides the link to the formal Tribal consultation procedures along with assurances that STIP Amendment #1 followed the Tribal consultation procedure. Finally, Volume 3 documents coordination with Federal Land Management Agencies. The documented Alaska DOT&PF's public participation process does not address how the public will be engaged when significant changes take place prior to adoption or submittal for Federal approval.

The Alaska DOT&PF has made significant revision to the processes used to engage the public in STIP Amendment #1. The Draft STIP Amendment was announced to the public on July 3, 2024, but the availability of the draft STIP Amendment and public comment system on the Alaska DOT&PF website were intermittently available throughout early July due to technical difficulties. The Final STIP Amendment #1 acknowledged these technical difficulties and clarified the extension of comments to ensure the public was provided the full 30-days for review and comment on the draft STIP Amendment #1.

STIP Amendment #1, Volume 3 also provides a disposition to some of the public and agency comments received. However, not all comments are provided a response and some responses do not relate to the comments made by the commenters.

The final STIP Amendment #1 submitted for Federal approval is significantly changed from the draft STIP Amendment #1 made available for public review. The public was not given the opportunity to comment on the final STIP Amendment #1 prior to submittal for Federal approval.

Recommendation:

- d. The public participation process should document processes to engage the public when significant changes are made to Federal documents such as the STIP and STIP Amendments and how the disposition of public comments are made available.
- e. The disposition of comments should address the comments received and the public should be able to find their comment and understand how it was considered for the final document. Therefore, the disposition of their comments should address their specific comment.

4. 23 CFR 450.218(m) Fiscal Constraint

STIP Amendment #1 Findings:

The Alaska DOT&PF STIP Amendment #1, Narrative provides significant improvements to the Fiscal Constraint Demonstration Detail. Funding sources are clearly labeled by year and include the local match and State funds anticipated throughout the life of the STIP. Definitions for funding sources are clearly identified in the Funding Sources and Revenue Forecast section. However, the funding amounts documented and funding source titles or abbreviations for fiscal constraint do not align with the funds identified and programmed in the Deep Dive pages in Alaska DOT&PF STIP Amendment #1, Volume 1. For example, there is a significant discrepancy of Advance Construction (AC) between the Fiscal Constraint Demonstration Detail table in the Narrative and projects identifying AC in the Deep Dive pages in Volume 1, as compared below:

	Fiscal Constraint Demonstration Detail (Narrative)	Consolidated from Deep Dive Pages (Volume 1)
Revenue*	\$944,611,694	\$944,611,694
Programmed	\$955,491,768	\$806,140,402
Total	\$(149,351,366)	\$138,471,292

*Assumed the amount of revenue available is constant as documented in the Fiscal Constraint Demonstration Detail shown in Alaska DOT&PF STIP Amendment #1, Narrative.

Additionally, funds identified in the MPO TIPs do not align with the amount programmed. The discrepancies between the funding programmed and documented in the Deep Dive pages and the funding identified in the Fiscal Constraint Demonstration Detail raise questions whether the table in the Fiscal Constraint Demonstration Detail accurately reflects the State, local and Federal funds programmed in the STIP. The Fiscal Constraint Demonstration Detail also identifies funding for Federal Transit Administration funding identified for the Alaska Railroad. In Federal Fiscal Years (FFY) 2025, 2026, and

2027, Alaska Railroad expenditures significantly exceed the amount of Federal Transit Administration funding anticipated.

The Narrative recognizes the DOT&PF's use of AC as a cash-management tool and through the Fiscal Constraint Demonstration Detail and Deep Dive pages in Volume 1, documents that historic levels of AC are programmed. The Narrative states that "There has never been a time where expenses have not been paid due to cash shortages" as verification that AC will be available at the time it is indicated in the STIP. The level of AC identified as programmed in the Fiscal Constraint Demonstration Detail appears to exceed the historic allocation of State funding for transportation projects. The DOT&PF is assuming risk by programming AC at these levels and this risk may impact their ability to deliver the STIP program identified to the public through this document.

Alaska DOT&PF's STIP Amendment #1 somewhat streamlined the extensive volume of project and financial information compared to what was provided in the STIP partially approved by FHWA/FTA in March 2024. Tables are clearly labeled, and information is clearly grouped and provided in logical sequence. However, consistency among the various tables continues to be problematic and inconsistent. Some of the projects listed in Fiscal Constraint Demonstration Detail tables and other such tables do not result in Deep Dive pages. Without the project description, the programming of funds for the project it is impossible to know whether some of these projects are considered as part of the STIP. It appears that some of the issues are simply errors, however, some issues are significant enough to question the validity of the Fiscal Constraint Demonstration Detail.

The STIP Amendment #1 Volume 1, provides a Deep Dive page for projects considered programmed in the STIP. Deep Dive pages outline how State, local and Federal funds are programmed and provides project details, the year in which each funding source is programmed and how much is programmed by phase of the project. The project description provided is enough information for most projects to determine general eligibility for the funding source identified. Based on the descriptions provided, some projects do not appear to be eligible, at least in part, for the funding sources identified.

For large projects that extend over several years, the Deep Dive pages document the "Parent" and "Child" relationships. The "Parent" project identifies the "Child" projects, identifying the project number and how these projects are programmed in the STIP. The documentation of this Parent-Child relationship in the Deep Dive pages is much improved and provides a clearer pathway to tracking large projects that are expected to be completed over several years. Beyond the Deep Dive pages, the conceptual relationship of "Parent" to "Child" and the use of this concept within the STIP is not clarified or documented. This lack of clear documentation may confuse how Parent-Child projects move through the Amendment and Administrative Modification processes and in some cases the project design phase.

Some "Parent" projects extend into MPO Metropolitan Planning Areas (MPA). One project, the Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction], extends into the Anchorage MPO's MPA and the "Child" portions, Stage 1 and Stage 6, of the project are not included in the MPO's TIP. The "Parent" project explains in the description, that Stage 1 "Child" (Milepost 113-116) is within the MPA and will be included on the AMATS TIP but is not included in the DOT&PF STIP. However, the "Parent" project does program ROW (P3) and Final Design (P2b) for the full project including those areas located in the MPA under Stage 1 and Stage 6.

The STIP Narrative, Advance Construction section, documents that the “Payback of advance construction may be considered through administrative actions versus STIP amendments.” This statement is inconsistent with the DOT&PF’s STIP amendment and modification procedures.

How the DOT&PF uses AC and the conversion of AC (ACC) at the time of project authorization or when funds are requested for obligation is often inconsistent with the programming of projects in the STIP. As a result, the FHWA Division is unable to process these requests. Additionally, there is no clear documentation in the STIP that describes how the DOT&PF’s intends to use AC or ACC and it does not document the processes for which AC and ACC may support cash management or other programming decisions.

Corrective Actions:

d. The fiscal constraint demonstration in the STIP must accurately reflect the full funding anticipated for programming throughout the four years of the STIP to include state, local and Federal funding sources. The fiscal constraint demonstration must also support the funds and resources programmed through the MPO TIPs and use the same funding source titles or abbreviations consistently throughout the document.

e. All projects included in the STIP must be eligible for the funding sources to which they are programmed. The following projects appear to include ineligible elements. This could include the work type or activity associated with a specific funding source or other characteristics not allowed for Federal funding. The following projects will be assessed for eligibility at the time of project authorization:

- 34244 - Knik River Wayside Gold Star Families Memorial [TAP Award 2023]
- 30729 - Inter-Island Ferry Authority Ferry Refurbishments
- 33241 - Cape Blossom Road [Parent and Final Construction]
- 34302 - Pavement and Bridge Preservation Program
- 34197 – Data Modernization and Innovation
- 34452 – Rural Dust Mitigation Program
- 34455 – Construction Material Waste
- 34313 – State-owned Shipyard Repairs
- 28810 – Herring Cove Bridge Rehabilitation
- 34461 – West Susitna Access Road
- 34442 – Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOG 2018] Stage 1
- 34443 – Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOG 2018] Stage 2
- 32723 – Redoubt Avenue and Smith Way Rehabilitation [CTP Award 2019]
- 32299 – Takotna River Bridge Replacement
- 33242 – Sterling Highway Milepost 45-60 [Stage 2]

f. The “Parent” project cannot include final design, ROW or construction for a child project that is located in an MPO’s Metropolitan Planning Area boundary (MPA) if the child project located in that MPA is not included in the MPO TIP. The following project is excluded from STIP Amendment #1 approval:

- 12641 - Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]

g. The statement in STIP Narrative, Advance Construction section, stating, “Payback of advance construction may be considered through administrative actions versus STIP amendments.” must be removed from the STIP.

Recommendations:

f. The conceptual use of “Parent” and “Child” in the STIP should be clearly documented. This includes defining the terminology, the programming processes and any special considerations given to projects captured in this concept. In addition, the concept description should consider how final design is programmed for the Parent vs. for the Child projects; how STIP revisions are determined; and the relationship of Parent and Child projects to the NEPA process and NEPA decisions.

g. The risk associated with the historic levels of AC should be clarified and the consequences of not receiving these funds should be documented so that the public will have the opportunity to understand the decisions that may be made if State funding is not available for the projects programmed for AC.

h. The STIP should document how the Alaska DOT&PF uses AC and ACC and the processes by which these funds may be applied to projects programmed in the STIP during project authorization and obligation.

i. Project groupings included in the STIP should be limited to a single work type. In addition, the list of individual projects intended for any group listed in the STIP should be made available whenever it is requested.

5. 23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming

STIP Amendment #1 Findings:

Alaska DOT&PF’s STIP Amendment #1, Narrative, Appendix C, provides the Transportation Performance Management (TPM) analysis. The information provided documents the DOT&PF’s strategic approach make informed investment and policy decisions that achieve national performance goals. This includes alignment with the State’s policies and guidance, the statewide long range transportation plan, and various performance plans. Appendix C also describes the collaborative process for developing and formalizing Federal metrics and performance targets with the MPOs. Each target is described in detail and provides data and visual representation of the DOT&PF’s expected outcome of meeting these targets through the projects programmed in the STIP. Most targets are likely to be met within or ahead of the timeline anticipated. However, the data is showing that some targets are not currently being met or likely to be met as required. Appendix C also provides a detailed listing of potential actions the DOT&PF may take for those targets that are not being met. However, it is not clear what actions the DOT&PF is currently taking to address those targets that are underperforming.

Alaska DOT&PF’s STIP Amendment #1, Volume 4, provides a series of references and documents related to various project prioritization processes. The information provided gives a general overview of the processes and the criteria used to select projects. In most cases, the conclusion of the selection process or a list of projects in order of need or in order of some priority is provided. Not all sections of Volume 4

provide information relevant to the section title; for example, the HSIP section contains no information, only a cover page.

The documentation provided is not clear about how projects on the prioritized lists are selected for programming into the STIP. In fact, not all projects funded in the STIP are shown on these prioritized lists creating uncertainty as to how these lists are used and where projects programmed in the STIP come from.

Corrective Action:

h. The STIP must clarify the performance-based planning processes and the project selection processes that support the investment priorities programmed in the STIP. This includes identifying not only the final list of prioritized projects but how projects are selected and programmed into the STIP.

Recommendation:

j. For Federal transportation performance management targets that are under performing or for those that are not meeting their targets, the DOT&PF should document the actions currently underway to improve the State's ability to meet those targets.



October 15, 2024

Sandra A. Garcia-Aline
Division Administrator
Federal Highway Administration

Susan Fletcher
Regional Administrator
Federal Transit Administration

SUBJECT: Statewide Transportation Improvement Program (STIP) Amendment #1 Federal Planning Findings, Response and Requests for More Information

Ms. Garcia-Aline and Ms. Fletcher,

Please find enclosed the Alaska Department of Transportation and Public Facilities' (DOT&PF) formal response to the Federal Planning Findings issued on September 26, 2024, regarding the 2024-2027 Statewide Transportation Improvement Program (STIP) Amendment #1. We summarize our overall disposition of the findings, corrective actions, and recommendations in this letter, while providing detail regarding the individual responses in Attachment A, which we will use as a basis for the "Action Plan" requested.

Out of the fourteen corrective actions identified in the March 27, 2024 Tier 2 Federal Planning Findings, (FHWA) and the Federal Transit Administration (FTA) (hereinafter referred to collectively as "the Federal Agencies") DOT&PF considers ten resolved. DOT&PF believes the remaining four corrective actions outlined below have been resolved and disagrees with their characterization.

- **23 CFR 450.208** – Documentation of 3C Projects
- **23 CFR 450.210** – Disposition of Public Comments
- **23 CFR 415.218(m)** – Fiscal Constraint Demonstration Including All Fund Sources
- **23 CFR 415.218(q)** – Transportation Performance Management

The Federal Agencies also included three recommendations from the March 27, 2024, Federal Planning Findings, two of which are listed as "Not Addressed." Recommendations are areas that meet statutory and regulatory requirements but may represent opportunities to improve the transportation planning processes. DOT&PF requests the following recommendations be removed from the September 26, 2024 findings as they have already been resolved or are now redundant and should not be carried forward:

- **23 CFR 450.210** – Public Process Prior to Adoption of Final STIP
- **23CFR 450.218(p)** – Coordination on STIP and TIP Procedures

The 2024-2027 STIP Amendment #1 submission, which encompasses 310 projects and programs totaling \$6.63 billion (including formula funds programmed through MPO Transportation Improvement Programs (TIPs) and

awarded discretionary grants), received a new Federal Planning Finding with many similar findings as in the original 2024-2027 STIP Federal Planning Findings dated March 27th, 2024.

The 2024-2027 STIP Amendment #1 Federal Planning Finding rejected 21 discretionary grant projects:

- 1 Federal Rail Administration (FRA) discretionary grant award;
- 1 PROTECT Program discretionary grant award, and
- 19 Tribal High Priority and construction-related Tribal Transportation Safety Fund discretionary grant awards.

Two FHWA National Highway System (NHS) formula-funded projects were also rejected:

- 34130 Richards Highway Milepost 346 Northbound Chena Bridge Replacement, and
- 12641 Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]

Five planning findings were issued with Amendment #1 partial approval, that included eight corrective actions, and ten recommendations. As part of these findings, 15 additional projects were flagged for potentially containing ineligible elements, though no specific details regarding the ineligible elements were provided in the findings.

DOT&PF contests all five findings, six of the eight corrective actions, all ten recommendations, and seven narrative statements. In general, we dispute the narrative sections, which contain unsubstantiated claims that are vague and lack sufficient evidence or support. Below is a summary of the specific findings being contested.

Regulation	Finding/Narrative Contested	Corrective Actions Contested	Recommendations Contested
23 CFR 450.218 Development and Content of the STIP	STIP Development	A – Urban Area Boundaries	A – STIP Format B – Abridged Publicly Available Amendment
23 CFR 450.208 Coordination of Planning Process Activities	Revised Planning Boundaries	C – 3C Process	C – Inclusion of MTPs as Informational Documents
23 CFR 450.210 Interested Parties, Public Involvement, and Consultation	Public Engagement	None	D – Documentation of Public Process E – Disposition of Comments
23 CFR 450.218(m) Fiscal Constraint	Discrepancies in Advance Construction (AC) Figures; Discrepancies in Fiscal Constraint Demonstration; and MPO TIP Programming	E – Project Eligibility F – Programming for the Safer Seward Highway G – Advance Construction STIP Procedures	F – State’s Authority to Determine AC Balance G – Documentation of AC and ACC Transactions H – Listing of Projects in Program Groups
23 CFR 450.218(q) & 23 CFR 450.206(c) TPM and Performance-Based Planning and Programming	Performance Management	H – Transparency in Project Selection	J – Performance Management

To resolve two of the corrective actions, DOT&PF requests further clarification on:

- **Corrective Action B** – Discretionary Grants
- **Corrective Action F** – Programming for the Safer Seward Highway (Milepost 98.5-118)

Given our differences concerning the Federal Planning Findings dated September 26, 2024, DOT&PF formally requests that the Federal Agencies provide detailed written responses, including actionable steps to ensure clear implementation, for the specific items outlined below as part of the required Action Plan (Attachment A). This

information is essential to ensure regulatory compliance and the effective execution of federally funded projects across the state.

- **Clarification on Authority** – DOT&PF requests clarification on the specific authority FHWA is relying on to reject or restrict the State of Alaska’s statutory right to manage its financial resources by leveraging Advance Construction (AC), a federally permitted financial tool, particularly when the current and projected balances are well within the historical previously approved range of AC usage.
- **Richardson Highway Project** – Based on the established facts regarding the Richardson Highway Milepost 346 Northbound Chena Bridge Replacement Project's location relative to the FAST Metropolitan Planning Area (MPA) boundary, and in accordance with 23 CFR 450.312(j), DOT&PF believes further delays imposed by FHWA are unwarranted and requests the project be removed from the Federal Planning Findings.
- **Discretionary Grant Programs** – To ensure no community risks losing its discretionary grant award and to prevent delays in grant-funded projects, DOT&PF requests written guidance along with a comprehensive list of all USDOT discretionary grant programs that are and are not required to be included in the STIP or Transportation Improvement Programs (TIP).
- **FHWA TIP Incorporation**– DOT&PF requests that FHWA, as the authority approving the Western Federal Lands Highway Division TIP and the Tribal TIPs (which are submitted to BIA for inclusion in the Tribal Transportation Program TIP), ensure these TIPs are provided to DOT&PF in a complete state when requested for subsequent STIP documents.
- **MPO Statements** – DOT&PF requests that any Federal Planning Findings based on statements from MPO Executive Directors be redacted as they are individual opinions, not policy board statements. We also request that the Federal Agencies review minutes and materials from the MPO Policy Boards, which accurately reflect the official positions and decisions of the MPOs.
- **Public Engagement Comment Response** – DOT&PF requests specific details and clarification regarding the statement on public engagement that "some comments were not responded to," as DOT&PF applied a thorough and methodical approach to reviewing, considering, and responding to all public comments that included contact information.
- **Compliance with Public Comment Regulations** – DOT&PF firmly believes that it fully complies with all applicable regulations and has established a new norm for best practices in STIP communications. Therefore, DOT&PF requests specific details regarding any deficiencies that must be addressed to ensure compliance with regulations related to the disposition of public comments in final documents.
- **Fiscal Constraint Clarification** – Considering the calculation errors in the only example provided by the Federal Agencies, DOT&PF requests a detailed breakdown with precise explanations supporting the statement that the accuracy of the fiscal constraint demonstration tables is in question.
- **Demonstration of Fiscal Constraint** – If the demonstration of fiscal constraint does not comply with the Federal Agencies’ guidelines, as outlined in 23 CFR 450.218, DOT&PF requests the detailed and specific information necessary to facilitate productive progress.
- **Advance Notification of Changes to Procedures** – DOT&PF requests that Federal Agencies provide formal written documentation in advance of changes to procedures and allow for a grace period to enable adjustments to programming cycles. Written guidance ensures clear expectations and helps prevent misinterpretation of guidance.
- **TIP/STIP Misalignment** – DOT&PF requests that the Federal Agencies provide specific examples of the referenced TIP/STIP misalignment, allowing DOT&PF and its MPO partners to effectively address the concerns and respond to the Federal Agencies’ remarks.
- **Alaska Railroad Corporation (ARRC) Programming** – DOT&PF requests detailed guidance on expectations for programming of ARRC programs in the STIP and TIPs.
- **Illustrative Projects**: DOT&PF requests that the Federal Agencies allow illustrative projects back into the STIP to improve transparency with the public as allowed by 49 USC 5304 (g)(5)(F)(ii).
- **Program Rejection Clarification** – Given the strength and clarity of our rationale for programming these projects, DOT&PF requests clarification on the basis for considering 15 programs and projects

ineligible, particularly in the absence of detailed explanations regarding potential eligibility issues. Several of these projects represent long-standing programs, have been included in FHWA-approved plans, or have already been approved in the 2024-2027 STIP.

- **Parent/Child Project Clarification** – DOT&PF requests clarification on which additional projects are being referenced in the statement that “some parent projects extend into an MPA,” as only one example is provided, and DOT&PF is not aware of any others.
- **Safer Seward Highway Corridor** – DOT&PF has sought guidance from FHWA on the technical programming of the Safer Seward Highway Corridor (Milepost 98.5-118) without success; we request specific written instruction on how to best program this unique parent/child project in the STIP and TIP.
- **Performance Targets** – Based on the latest Performance Score Card and Transportation Performance Management Plan (TAMP) Consistency Determination, DOT&PF is meeting all federal performance targets. We request specific details regarding which federal performance targets the FHWA is referencing as not being met.
- **Project Selection and Programming** – DOT&PF's project selection and programming processes align with 23 CFR Part 450 and support both state and federal goals. Given our compliance and success in meeting federal performance targets, we seek specific details regarding any areas requiring improvement.

Moving forward, Director Dom Pannone and Chief Engineer Lauren Little will lead the efforts to develop a Joint Action Plan. To foster transparency and maintain a spirit of collaboration, we request that all in-person or virtual meetings be well-documented, with meeting notes or recordings made available to the public to ensure accountability and clarity. While DOT&PF maintains that it is in full compliance with all applicable federal regulations governing transportation planning and programming, this Action Plan reflects our commitment to resolving the concerns raised in a manner that supports the shared goal of delivering transportation projects efficiently and transparently.

As DOT&PF is not aware of any specific regulations or guidance pertaining to the development of such an Action Plan, we anticipate further instructions from FHWA/FTA to guide this process. Meanwhile, to maintain our December 6th, 2024 deadline, DOT&PF requests the Federal Agencies to respond to all information requests, detailed in Attachment A, by November 1st, 2024.

Sincerely,



Ryan Anderson, P.E.

Commissioner

Department of Transportation and Public Facilities

Enclosures: Attachment A (Action Plan)

Statewide Transportation Improvement Program (STIP)

Joint Agency Action Plan **DRAFT**

Alaska Department of Transportation and Public Facilities, Federal Highways Administration, and Federal Transit Administration

The Alaska Department of Transportation and Public Facilities (DOT&PF) presents this draft Action Plan in response to the Federal Planning Findings issued by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) on September 26, 2024. This plan outlines how DOT&PF will engage in a collaborative effort with FHWA and FTA to consider the findings, recommendations, and corrective actions associated with the 2024-2027 Statewide Transportation Improvement Program (STIP) Amendment #1.

While DOT&PF maintains that it is in full compliance with all applicable federal regulations governing transportation planning and programming, this Action Plan reflects our commitment to resolving the concerns raised in a manner that supports the shared goal of delivering transportation projects efficiently and transparently. We recognize the importance of open dialogue with FHWA and FTA and aim to provide clarity on the processes that underpin DOT&PF's management of Advance Construction (AC) funds, project selection, public process, and fiscal constraint.

Purpose of the Action Plan

The objectives of this Action Plan are to:

- **Ensure continuous collaboration** – The plan is designed to promote ongoing collaboration between DOT&PF, FHWA, and FTA. Our goal is to resolve any outstanding questions or concerns in a constructive manner while preserving the integrity and flexibility of Alaska's transportation program.
- **Address concerns with clarity and detail** – While DOT&PF believes that all applicable regulations have been fully adhered to, this plan will provide further clarification on processes related to project funding, eligibility, and compliance. It will ensure that all parties are providing the necessary documentation and explanations to align perspectives on these matters.
- **Maintain project delivery schedules** – By addressing the concerns outlined in the Federal Planning Findings, the joint agencies will ensure that project delivery continues without unnecessary delays, while prioritizing the safety, efficiency, and economic vitality of Alaska's transportation infrastructure.

Scope of the Action Plan

The Action Plan focuses on several key areas that will guide the resolution of identified findings and recommendations:

1. **Clarification of Corrective Actions** – The joint agencies will address each corrective action raised in the findings to clarify each issue. DOT&PF will demonstrate that all procedures and processes are in full compliance with federal regulations.
2. **Fiscal Constraint Documentation** – DOT&PF will reaffirm that its fiscal constraint demonstration complies with 23 CFR 450.218. The Action Plan will address any perceived discrepancies and

provide additional context to confirm that funding sources are accurately reflected in all documentation.

3. **Coordination with MPOs and Stakeholders** – This plan will reaffirm DOT&PF’s commitment to working collaboratively with Metropolitan Planning Organizations (MPOs), tribal governments, and other local stakeholders to ensure effective coordination in the development of transportation improvement programs.
4. **Public Engagement and Comment Disposition** – DOT&PF is fully committed to public engagement and transparency. This Action Plan will detail our ongoing efforts to improve communication and responsiveness to public comments, ensuring compliance with the requirements of 23 CFR 450.210.

DOT&PF remains fully confident in its compliance with federal regulations governing transportation planning and programming, and this Action Plan reflects our commitment to continuous improvement and collaboration. Our goal is to ensure that Alaska’s transportation program remains transparent, flexible, and aligned with both state and federal objectives, and we look forward to working closely with FHWA and FTA to resolve outstanding concerns.

The attached Action Plan outlines specific responses, timelines, and next steps for each finding, recommendation, and corrective action, and we invite continued dialogue with the Federal Agencies to support the successful implementation of the 2024-2027 STIP Amendment #1.

23 CFR 450.218 Development and Content of The Statewide Transportation Improvement Program (STIP) – NARRATIVE

FINDING – STIP DEVELOPMENT: **DOT&PF CONTESTS THIS FINDING**

Federal Highways Administration and Federal Transit Administration Comments

“Unfortunately, information is inconsistent between various tables and resources (as is noted below). Errors appear to be common, creating confusion about the information presented for some projects.”

DOT&PF Response

DOT&PF appreciates the recognition of our dynamic and modern approach to providing information to the public, and a recognition of DOT&PF’s focus on transparency. We would appreciate more details on statements made in the narrative section. *“Unfortunately, information is inconsistent between various tables and resources (as is noted below). Errors appear to be common, creating confusion about the information presented for some projects. [FHWA/FTA].”* This assertion, which is repeated in subsequent paragraphs questioning our ability to serve the public interest, lacks specific examples to substantiate the claims.

The only specific example cited concerns discrepancies in Advance Construction (AC) balances between the Fiscal Constraint Demonstration tables and the Deep Dive pages, as referenced in 23 CFR 450.218(m). Upon reviewing the example provided, we found that FHWA/FTA inaccurately portrays and miscalculates the AC balances. For instance, in the Federal Planning Finding, the middle column of the table on the right shows a total of \$(149,351,366), which is neither the sum nor the difference of the

two figures above it. **FIGURE 1**, from page nine of the Federal Planning Findings appears to inaccurately portray and inaccurately calculate AC balances. See comparison in **FIGURE 1**.

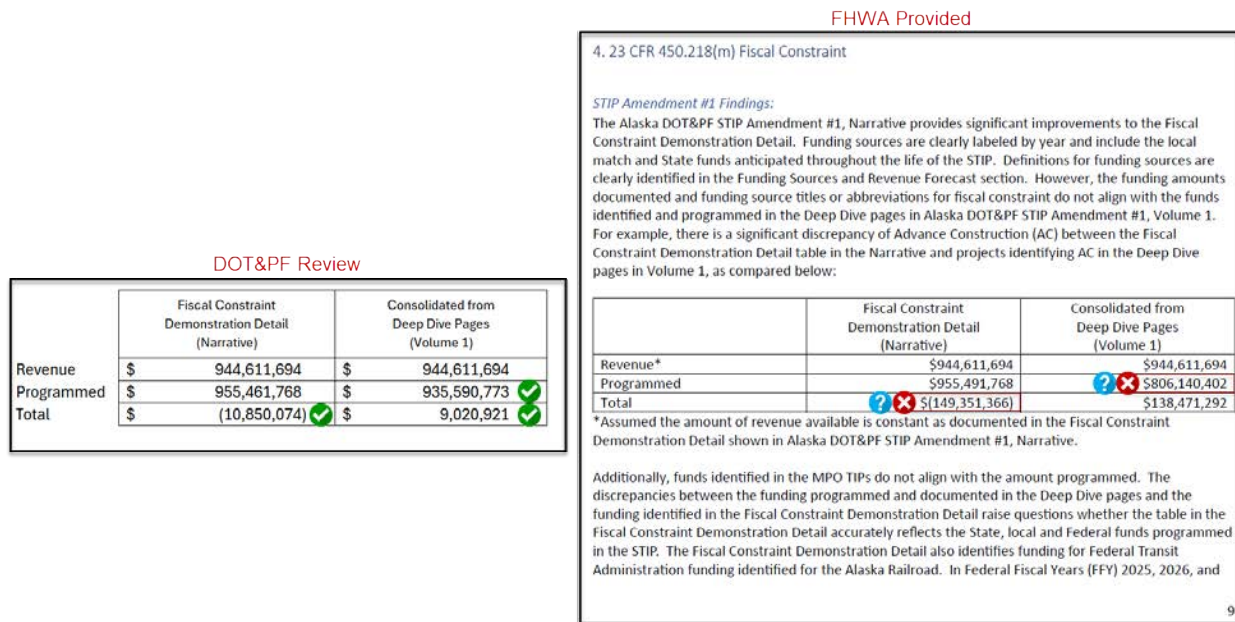


FIGURE 1: EXCERPT FROM FHWA FEDERAL PLANNING FINDINGS PAGE 9

A manual review of AC amounts consolidated from the Deep Dive pages yields a total of \$935,590,773 of AC programmed in Amendment #1, not \$806,140,402 as shown in the table from the finding. We’ve also highlighted what appears to be computational errors, though it remains unclear how these numbers were derived. Please see **TABLE 1** for manually collected and calculated STIP IDs from Volume 1 of the Deep Dive pages.

TABLE 1: MANUAL REVIEW OF ADVANCE CONSTRUCTION

Consolidated from STIP Deep Dive Project Pages							
2024		2025		2026		2027	
34302	\$ 15,554,741	6234	\$ 245,080	19217	\$ 6,492,210	2670	\$ 39,083,692
33241	\$ 6,952,500	12641	\$ 23,350,000	23455	\$ 16,456,088	22322	\$ 53,538,585
33962	\$ 725,598	24596	\$ 36,402,219	26156	\$ 15,270,725	22335	\$ 47,613,153
18923	\$ 19,666,113	26085	\$ 20,013,400	30189	\$ 79,525,218	29973	\$ 18,141,465
33965	\$ 5,921,056	26156	\$ 909,700	31469	\$ 8,290,300	32638	\$ 16,556,540
		33720	\$ 1,364,550	32639	\$ 16,920,420	32721	\$ 6,094,080
		34302	\$ 80,241,195	34200	\$ 1,234,258	32724	\$ 17,158,267
		34433	\$ 15,019,057	34302	\$ 33,182,036	33921	\$ 14,567,701
		34434	\$ 30,719,975	34447	\$ 22,829,474	34165	\$ 140,226,128
		34461	\$ 12,293,733	34462	\$ 64,913,000	34206	\$ 12,379,557
		34637	\$ 3,183,950			34232	\$ 8,640,469
						34243	\$ 3,638,800
						34302	\$ 3,892,043
						34342	\$ 4,912,380
						34349	\$ 11,471,317
SubTotal	\$ 48,820,008		\$ 223,742,859		\$ 265,113,729		\$ 397,914,177
Total	\$ 935,590,773						

Overall, the AC numbers are thoroughly documented in the Fiscal Constraint Demonstration section of the narrative, which clearly shows how revenue sources are constrained by year, while also listing each project that utilizes a specific fund source by year, an excerpt provided for example is shown in

Its regrettable that FHWA did not directly reach out to DOT&PF during its multi-week review period to request clarification or assistance in understanding these details.

TABLE 2. These tables demonstrate that some AC amounts will be reflected in the project pages, while others may appear in the TIPS which are incorporated by reference.

It's regrettable that FHWA did not directly reach out to DOT&PF during its multi-week review period to request clarification or assistance in understanding these details.

TABLE 2: FISCAL CONSTRAINT DEMONSTRATION TABLE OF FHWA AC

FHWA AC		\$	62,831,601
Statewide Planning and Research Advance Construction		\$	12,471,893
AWP [Ledger]	Annual Planning Work Program	\$	12,471,893
Surface Transportation Block Grant: FLEX Advance Construction		\$	48,820,008
18923	Pavement and Bridge Preservation Program: Northern Region	\$	19,666,113
33241	Cape Blossom Road [Parent and Final Construction]	\$	6,952,500
33962	Ice Roads, Seasonal Roads, and Winter Trails Program	\$	725,598
33965	Rock Slope Stabilization Program	\$	5,921,056
34302	Pavement and Bridge Preservation Program	\$	15,554,741
Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction		\$	1,539,700
17662	Community-Driven Transportation Projects [FAST]	\$	1,539,700
FHWA Formula Funds from Limitation		\$	248,805,872

DOT&PF also has concerns regarding the removal of the language about AC conversions, which was done without providing reason or context. It appears that FHWA may have conflated administrative actions with administrative modifications.

As a reminder, DOT&PF maintains its authority under Title 49 U.S.C. 5304(g)(9) to reprioritize projects within the STIP without requiring federal approval, as stated: *“Modifications to project priority. Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project in the program.”*

The removal of language regarding AC from the narrative also appears to conflict with 23 CFR 630.709(a), which clearly provides: *“The State Department of Transportation may submit a written request to the FHWA that a project be converted to a regular Federal-aid project at any time provided that sufficient Federal-aid funds and obligation authority are available.”*

Additionally, the federal planning finding suggests that the use of AC at historic levels introduces risks to the delivery of our program. While we appreciate the acknowledgment of potential risks, it is important to clarify that the current proportion of AC is not unprecedented. Our records indicate that AC balances, relative to our Formula Limitation, are below the high-water mark reached in 2006, when AC balances were 189% of the Formula Limitation. Moreover, restrictions on a state's use of AC were removed in 1995, the former restrictions allowing states to leverage expected apportionments plus an additional year of apportionment.

DOT&PF firmly believes that leveraging AC within this amendment serves the best interests of the state, providing both flexibility and a strategy to ensure the timely and effective delivery of transportation projects for the traveling public.



DOT&PF requests clarification on the specific authority FHWA is relying on to reject or restrict the State of Alaska's statutory right to manage its financial resources by leveraging Advance Construction (AC), a federally permitted financial tool, particularly when the current and projected balances are well within the historical previously approved range of AC usage.

23 CFR 450.218 Development and Content of The Statewide Transportation Improvement Program (STIP) – CORRECTIVE ACTIONS

CORRECTIVE ACTION A –URBAN AREA BOUNDARIES: DOT&PF CONTESTS THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

“The following projects are excluded from approval of STIP Amendment #1. Any project located within an MPO’s approved Urban Area Boundary or Metropolitan Planning Area Boundary, must be included in the MPO TIP. Once amended into the MPO TIP, the TIP amendment can be amended into the AK DOT&PF’s STIP without modification. Excluded MPO projects include:

- 34545 Chena River Railroad Bridge Replacement – ARRC
- 34547 City of North Pole: Alaska, Drainage Project - City of North Pole
- 34130 Richardson Highway Milepost 346 Northbound Chena Bridge Replacement “

DOT&PF Comment

We are in receipt of our October 15, 2024 email rejecting our request for reconsideration of the exclusion of the Richardson Highway Milepost 346 Northbound Chena Bridge Replacement Project (STIP ID 34130) from approval in STIP Amendment #1. We continue to contest this decision and request further detailed discussions with our State attorney as part of the proposed action plan.

The Richardson Highway Milepost 346 Northbound Chena Bridge Replacement Project is not located within the MPO’s Metropolitan Planning Area (MPA) Boundary. Although the U.S. Census Bureau’s 2020 census urbanized boundary for Fairbanks now includes the Chena Flood Control Area, 23 CFR 450.312(a) and 450.312(j) explicitly state that any changes to the MPA boundary must receive Governor's approval. The final MPA boundary approved by the MPO and Governor might be identical to, and might be smaller than, the Census Bureau’s 2020 urban area boundary. Either way, once the boundary adjustments have been approved by the MPO and the Governor, the official boundary descriptions will be transmitted to FHWA and FTA.

Additionally, 23 CFR 450.326(e) plainly requires that "The TIP shall include capital and non-capital surface transportation projects (or phases of projects) within the boundaries of the metropolitan planning area ...". There is no additional requirement for inclusion of projects within the U.S. Census Bureau's urban area in FHWA's regulations. Thus, for a second reason, the FPF requirement is inconsistent with federal regulations.

Furthermore, FHWA has authorized other projects within the new urbanized boundary for FY24, despite not being included in the TIP or MTP. For example, the Chena Ridge Resurfacing Project (NFHWY00838)

received construction authorization and local planning approval which, at this time, is the only planning authorization required (outside of the STIP) for the project to advance to construction. This demonstrates that it is possible to proceed without inclusion in the TIP. This highlights an inconsistency in the application of project exclusion.

Information provided by FHWA staff indicated that the MPA expansion does not need to be approved or agreed upon until either the next MTP update (which has not yet begun) or four years from the designation. There is no current requirement for updated MTPs and TIPs to incorporate projects within the newly designated boundaries until 2026. This is consistent with the approach taken for the Matanuska-Susitna Valley Planning (MVP) MPO, where FHWA is not objecting to existing DOT&PF planned projects within the MVP boundary, even in the absence of an updated MTP or TIP.

DOT&PF is prepared to obligate and begin construction on this critical Interstate Highway bridge replacement project, which will help mitigate risks associated with potential load restrictions, earthquakes, and floods, all of which threaten the cost of living and transportation efficiency in the Fairbanks area.

We have reviewed the Chena River Railroad Bridge Replacement (STIP ID 34545) and confirmed that it will be funded through a discretionary grant administered by the Federal Railroad Administration (FRA). Therefore, this project will be removed from the STIP and will not require incorporation into the TIP.

The City of North Pole: Alaska Drainage Project (STIP ID 34547) falls within the existing FAST MPA and is funded through the PROTECT program grant. As such, it will be removed from the STIP and will be required to be included in the FAST TIP.



Based on the established facts regarding the Richardson Highway Milepost 346 Northbound Chena Bridge Replacement Project's location relative to the FAST MPA boundary, and in accordance with 23 CFR 450.312 regulations, DOT&PF believes that further delays imposed by FHWA are unwarranted and requests the project be removed from the Federal Planning Findings.

CORRECTIVE ACTION B – DISCRETIONARY GRANT: MORE INFORMATION NEEDED

Federal Highways Administration and Federal Transit Administration Comments

“The following projects are excluded from approval of STIP Amendment #1. Any project funded with Tribal funds must be included in the Tribal Transportation Improvement Program (TTIP). The TTIP is included into the STIP by reference and without modification. This includes all projects funded through Tribal program dollars. Excluded Tribal projects include:

34564 - Fast End Roads Design Refresh - Nome Eskimo Community

34567 - High Ridge Road Phase Two - Igiugig Village

34578 - Manokotak First, Second, Third Street Rehabilitation Road Project - Manokotak Village

34583 - Minto Community Street Improvement - Native Village of Minto

34587 - Old John Lake Trail -Arctic Village Council

34590 - Pedro Bay Landfill Access Road - Pedro Bay Village

34608 - Tribal Way Road Improvement- Sitka Tribe of Alaska

34625 - White Mountain Community Streets - Native Village of White Mountain

34562 - Ekwok Road Spot Safety Improvements Preliminary Engineering - Native Village of Ekwok
34568 - Hillcrest Drive and Bayou Loop Road Safety Improvements Design Project - Native Village of Clarks Point
34569 - Huslia Streetlight Illumination Project - Huslia Village
34571 - Kasaan Access Road Killer Hill Realignment- Organized Village of Kasaan
34577 - Main Street Spot Safety Improvements Preliminary Engineering - Native Village of New Stuyahok
34582 - Mile Post 111.5 Richardson Highway Turn Lanes Project - Native Village of Gakona
34584 - Naknek Pedestrian Path Construction Project - Naknek Native Village Council
34586 - Nerka Infrastructure Safety Improvements - Curyung Tribal Council
34591 - Pilot Point Brush Cutting & Signs Program Startup - Native Village of Pilot Point
34593 - Preliminary Engineering for Safety Improvements on Walden Point Road and Airport Road - Metlakatla Indian Community
34605 - Systemic Application of Roadway Departure Countermeasures - Native Village of Noatak

DOT&PF Comments

In the March 27th, 2024 Federal Planning Findings, the FHWA and FTA stipulated that as part of Tier 2 requirements, any *“awarded Discretionary Grants must be included in the fiscal constraint documentation.”* During follow-up meetings, FHWA clarified that DOT&PF is required to include discretionary grants awarded to any entity within the State of Alaska funded under Title 23 and Title 49. The Fiscal Constraint Demonstration tables must reflect the awards for each individual grant program, clearly itemized and broken down by fiscal year to ensure accurate tracking and compliance with funding allocations for each grant. However, there is an important exception: projects may be excluded from the STIP if the specific Notice of Funding Opportunity (NOFO) for the grant explicitly exempts them.

Additionally, discretionary grants awarded to tribes or located within the FAST or AMATS MPA must be included in the TIPs. This requirement does not extend to the MVP MPA, which currently lacks an established TIP.

DOT&PF was unable to identify any specific exclusions in the NOFO for the Tribal Transportation discretionary grants (both High-Priority and Safety Programs) of which FHWA and FTA rejected. The Safety Program NOFO states that these Tribal discretionary grants are funded under 25 CFR Part 170, with Section 170.124 specifying that, in order to expend any federal transportation funds, a tribe must ensure that the eligible project or program is listed on an FHWA-approved TIP or STIP.

To comply with 25 CFR Part 170 and 23 CFR Part 450, the FHWA approved Tribal Transportation Improvement Program (TTIP) must be included without further action into the state's STIP. DOT&PF chose to include the Bureau of Indian Affairs (BIA) approved Tribal Transportation Program Transportation Improvement Program (TTPTIP), the compilation of TTIPs from over 200 federally recognized tribes, which is fully compliant with 23 CFR 450.218(e).

However, to ensure that newly added discretionary grant awards from individual TTIPs are included in the STIP without unnecessary delays, DOT&PF may consider the logistically challenging incorporation of individual TTIPs into the STIP. Once projects are incorporated into the TTPTIP, they will be removed from the STIP to avoid duplication, ensuring smoother coordination between the TTPTIP and STIP processes.

Many Tribal Transportation Safety Program projects were awarded for the development of safety plans and conducting safety data assessments, which are not required to be included in the STIP due to specific exceptions outlined in 23 CFR 450.218.



To ensure no community risks losing its discretionary grant award and to prevent delays in grant-funded projects, DOT&PF requests written guidance along with a comprehensive list of all USDOT discretionary grant programs that are and are not required to be included in the STIP or TIPs.

DOT&PF requests that FHWA, as the common authority responsible for the approval of TTIPs prior to their inclusion in the BIA TTPTIP and the approval of the WFLHD TIP, clearly take ownership of the responsibility for these TIPs. FHWA should also ensure that these TIPs are provided to DOT&PF in a complete state when requested for subsequent STIP amendments.

Additionally, FHWA should provide DOT&PF with specific guidance on how Alaska should incorporate by reference or include, without further action, the aforementioned TIPs. The state should not be required to infer responsibilities that are clearly within the purview of FHWA.

DOT&PF seeks a complete package from FHWA on the most current versions of the WFLHD TIP, TTPTIP, and, where applicable, individual TTIPs, when requested for future STIP amendments.



DOT&PF requests that FHWA, as the authority approving the WFLHD TIP and the TTIPs (which are submitted to BIA for inclusion in the TTPTIP), ensure these TIPs are provided to DOT&PF in a complete state when requested for subsequent STIP documents.

<p>23 CFR 450.218 Development and Content of The Statewide Transportation Improvement Program (STIP) – RECOMMENDATIONS</p>
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RECOMMENDATION A – STIP FORMAT: **DOT&PF CONTESTS THIS RECOMMENDATION**

Federal Highways Administration and Federal Transit Administration Comments

“a) Due to the voluminous nature of Alaska DOT&PF’s STIP Amendment #1, and the inconsistencies found among the various tables and data sets, we recommend significant simplification of the STIP to ensure requirements are met and to ensure information remains transparent but is easy to access and use.”

DOT&PF Comments

While DOT&PF understands the intent behind the recommendation to simplify the STIP for ease of access and transparency, DOT&PF believes that providing comprehensive and detailed information is essential to ensuring transparency, accountability, and full disclosure of the state’s transportation planning efforts.

The detailed nature of the STIP is designed to offer multiple ways for different users to view and understand project data—by project title, location, fund source, and other critical attributes—allowing different stakeholders to access the information in the manner most useful to them. Reducing the amount of data and simplifying the presentation could risk omitting important details necessary for stakeholders to understand the full scope and complexity of the program.

We remain committed to refining our internal processes to ensure accuracy while preserving the robust, detailed data presentation that meets both federal requirements and the needs of the public.

RECOMMENDATION B – ABRIDGED PUBLICLY AVAILABLE AMENDMENT:

DOT&PF CONTESTS THIS RECOMMENDATION

Federal Highways Administration and Federal Transit Administration Comments

“b) To support an expedited review process and provide clarity to all stakeholders, in the future any proposed STIP amendment should only include those projects that are being amended along with the fiscal constraint demonstration to support the amendment.”

DOT&PF Comments

While DOT&PF understands the intent behind the recommendation to limit future STIP amendments solely to the projects being amended, we respectfully decline to adopt this approach. DOT&PF maintains that a comprehensive view of all projects—amended and non-amended—is essential for ensuring transparency, proper coordination, and a full understanding of the fiscal constraint across the program. The inclusion of the broader context of all projects, even those not being amended, provides stakeholders with a more accurate picture of how changes affect the overall program.

23 CFR 450.208 Coordination of Planning Process Activities – NARRATIVE

FINDING –REVISED PLANNING BOUNDARIES: DOT&PF CONTESTS THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“DOT&PF has not taken action on the Fairbanks Area Surface Transportation MPO’s revised Metropolitan Area Planning boundaries, which is critical to the MPO’s ability to update their Metropolitan Transportation Plan (MTP).”

DOT&PF Comments

The assertion that DOT&PF has not acted on the FAST MPO's revised MPA boundaries is incorrect. When the original boundary extension request was submitted to DOT&PF, the request lacked a boundary description that was legally sufficient. At that time, it was determined that since this is the second change to the MPA since the operating agreement was signed, and due to change in practices in how projects are incorporated into the TIP, an updated operating agreement was warranted in accordance with 23 CFR 450.314(b).

At the June 19, 2024, FAST Planning Policy Board meeting, DOT&PF presented a proposed updated version of the operating agreement to the Policy Board for discussion. The agenda and supporting materials, including the proposed agreement, are available on the FAST Planning website. DOT&PF continues to collaborate with the MPO to finalize the agreement and anticipates securing the Governor’s approval of an updated operating agreement in the coming months, in accordance with state law and federal planning requirements.

Likewise, DOT&PF is currently reviewing the AMATS operating agreement following a request for a boundary extension. The current agreement, dated October 16, 2002, will be revised to reflect updated practices and regulatory requirements.

Federal Highways Administration and Federal Transit Administration Comments

“FTA received several comments from Alaska MPO’s executive directors indicating a lack of coordination in the development of the draft STIP amendment #1, which resulted in continued errors documented in the public facing draft.”

DOT&PF Comments

DOT&PF has been actively collaborating with MPOs, FHWA, and FTA in accordance with the directives outlined in the February 9, 2024, Federal Planning Findings for the 2024-2027 STIP, specifically addressing Tier 2, Corrective Action 1a. As required by 23 CFR 450.208, DOT&PF has worked diligently to develop processes and procedures that ensure coordinated planning activities between the state and its respective MPOs. These procedures have been reviewed by the respective MPO Policy Boards, which have provided positive feedback.

While DOT&PF has made significant progress in aligning with federal planning requirements, it is regrettable that recent FHWA corrective action findings appear to be based on statements from staff MPO executive directors rather than from the official governing bodies of the MPOs, namely the MPO Policy Boards, which have been confirmed as the authorized voice of the MPOs in all decision-making processes. During MPO Policy Board Meetings and MPO Quarterly Meetings with the executive directors, we have consistently received positive feedback regarding the 3C processes and procedures. Should FHWA require formal resolutions of support from each MPO, DOT&PF is prepared to provide the necessary documentation upon request.



DOT&PF requests that any federal planning findings based on statements from MPO executive directors be redacted as they are individual opinions, not policy board statements. We also request that FHWA and FTA review minutes and materials from the MPO Policy Boards, which accurately reflect the official positions and decisions of the MPOs.

23 CFR 450.208 Coordination of Planning Process Activities – CORRECTIVE ACTIONS

CORRECTIVE ACTION C – 3C PROCESS: DOT&PF CONTESTS THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

“The DOT&PF must develop and implement processes and procedures for a continuing, cooperative, and comprehensive planning process that meets the requirements of 23 CFR 450.208. These documented procedures should result in a tangible demonstration of coordination among the MPOs and the DOT&PF such that information is coordinated among the agencies in the development of documents including the STIP and STIP amendments. In addition, this coordination must provide for timely resolution of differences to ensure MPO processes are supported and before draft documents are released for public review.”

DOT&PF Comments

DOT&PF has developed and implemented the 3C processes and procedures, which clearly outline the roles and responsibilities of DOT&PF in relation to MPO coordination, as required by 23 CFR 450.208 and

23 CFR 450.316. This reflects DOT&PF’s strong commitment to the 3C process and collaboration with our MPO partners, as evidenced by our continuous engagement in developing these procedures, which are summarized below. The finalized 3C Processes and Procedures document was formally transmitted to FHWA and FTA on September 2, 2024, as a result of many ongoing engagements detailed in [TABLE 3](#).

On June 11, 2024, DOT&PF and FHWA met to discuss the Tier 2 findings and resolution. At this meeting, Lauren Little, DOT&PF Chief Engineer, reviewed and received concurrence from Julie Jenkins and Theresa Hutchins of FHWA that the 3C document did not require formal approval by the MPOs. As the document is specific to DOT&PF’s internal processes and procedures and does not impose requirements on the MPOs, it was determined that MPO approval would not be necessary. However, DOT&PF committed to developing the document collaboratively, which is reflected in the engagement summary provided below. This agreement was further confirmed during the August 26, 2024, MPO Quarterly Meeting, where FHWA partners Marie Heidemann, Julie Jenkins, and Sandra Grace-Aline were present.

DOT&PF is unclear as to why FHWA does not consider this matter resolved regarding the federal planning findings on the STIP. DOT&PF fully recognizes that the 3C process is inherently continuous and, as such, the processes and procedures will continue to be refined and adjusted as needed, in collaboration with our MPO partners.

In addition to the 3C document and associated MPO Operating Agreements, DOT&PF is advancing a broader planning manual effort. This manual will not only incorporate the 3C document but will also address broader STIP development and coordination procedures to ensure comprehensive planning and compliance.

It is also important to note that, based on the FHWA/FTA Narrative that FHWA and FTA may be basing their findings on conversations with individual MPO executive directors, without fully considering the actions taken by the MPO Policy Boards or the substantial efforts of the DOT&PF team. DOT&PF is committed to transparency and collaboration, and we recommend that FHWA and FTA take into account the collective input and formal actions of all involved stakeholders when assessing the effectiveness of our processes.

TABLE 3: 3C ENGAGEMENT SUMMARY FOR STIP AMENDMENT #1

Date 2024	Event	Participants	Action	Outcome
5/29	MPO Quarterly Meeting	MPO Executive Directors, DOT&PF Staff	Worked collaboratively on the draft 3C document.	75% of the document was completed in real time.
6/5	FAST Planning TAC	FAST TAC Members	Shared the draft 3C document and captured comments in the meeting minutes.	Moved to Policy for further review.
6/6	AMATS TAC	AMATS TAC Members	Shared the draft 3C document and captured comments in the meeting minutes.	Moved to Policy for further review.
6/11	MVP TAC	MVP TAC Members	Shared the draft 3C document and captured	Moved to Policy for further review.

			comments in the meeting minutes.	
6/18	MVP Policy Meeting	MVP Policy Board	Discussed the draft 3C document and gathered comments.	Comments provided for incorporation.
6/19	FAST Planning Policy Meeting	FAST Planning Policy Members	Discussed the draft 3C document and gathered comments.	Comments provided for incorporation.
6/20	AMATS Policy Meeting	AMATS Policy Members	Discussed the draft 3C document and gathered comments.	Comments provided for incorporation.
6/24	Email to MPO Planners	DOT&PF MPO Planners, Brett Nelsen, Judy Chapman	Sent updated draft 3C document incorporating MPO comments.	Sought additional comments, feedback, and recommendations.
6/27	Email from J. Fox to B. White	FAST Planning TAC	Follow-up on the status of the 3C document and requested a copy for FAST Planning TAC.	Status update provided.
6/28	Email to MPO Executive Directors	MPO Executive Directors	Sent the most current version of the draft 3C document and updated on current status.	Provided MPOs with the latest document for further review.
8/26	MPO Quarterly Meeting	FHWA, MPO Executive Directors, DOT&PF Staff	Reviewed and completed the entire draft 3C document, with remaining items being minor verbiage adjustments.	Final document review completed; minor adjustments needed.
9/4	FAST Planning TAC	FAST TAC Members	Shared the revised draft 3C document with the technical advisory committee (not an action item).	Moved to Policy for further review.
9/5	AMATS TAC	AMATS TAC Members	Shared the revised draft 3C document with the technical advisory committee (not an action item).	Moved to Policy for further review.
9/10	MVP TAC	MVP TAC Members	Shared the revised draft 3C document with the technical advisory committee (not an action item).	Moved to Policy for further review.
9/17	MVP Policy Meeting	MVP Policy Board	Shared the revised draft 3C document with the Policy Board (not an action item).	Final document review completed by the MVP Policy Board.
9/18	FAST Planning Policy Meeting	FAST Planning Policy Members	Shared the revised draft 3C document with the Policy Board (not an action item).	Final document review completed by FAST Policy Board.

9/19	AMATS Policy Meeting	AMATS Policy Members	Shared the revised draft 3C document with the Policy Board (not an action item).	Final document review completed by AMATS Policy Board.
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23 CFR 450.208 Coordination of Planning Process Activities – RECOMMENDATIONS

RECOMMENDATION C –REVISED PLANNING BOUNDARIES: DOT&PF CONTESTS THIS RECOMMENDATION

Federal Highways Administration and Federal Transit Administration Comments

“The inclusion of the MPO’s MTPs in the STIP, it gives the appearance that Alaska DOT &PF and/or FHWA and FTA are by extension providing approval of the MPO MTPs through the approval of the STIP or STIP Amendments.”

DOT&PF Comments

The inclusion of the MPO’s Metropolitan Transportation Plans (MTPs) in the STIP is clearly labeled as "Included for informational purposes", which should make it evident that DOT&PF is not conferring any formal approval by referencing them. The use of these words explicitly clarifies that the inclusion of the MTPs in the STIP is meant solely as a reference for stakeholders, and neither DOT&PF, FHWA, nor FTA is implying formal approval of the MTPs through the STIP or STIP Amendments. This approach supports transparency and ensures ease of access for those seeking comprehensive transportation information in one location.

- 6. Metropolitan Transportation Plans (MTP) *Included for Informational Purposes*
 - a) FAST MTP
 - b) AMATS MTP

FIGURE 2: STIP AMENDMENT #1 VOLUME 2: TABLE OF CONTENTS

23 CFR 450.210 Interested Parties, Public Involvement, and Consultation – NARRATIVE

FINDING – PUBLIC ENGAGEMENT: DOT&PF CONTESTS THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“The public was not given the opportunity to comment on the final STIP Amendment #1 prior to submittal for Federal approval.”

DOT&PF Comments

Changes were made between the Draft STIP Amendment #1 and the Final STIP Amendment #1 based on public comments, as well as the July 31, 2024, joint FHWA and FTA comment letter. All public comments were responded to formally and documented in STIP Amendment #1 Volume 3. The joint FHWA FTA review letter was responded to in detail. In cases where no contact information was

provided, or the comments solely consisted of disrespectful or abusive commentary, responses were not issued; those comments were still recorded and considered as part of the public engagement process.



DOT&PF requests specific details and clarification regarding the statement on public engagement that "some comments were not responded to," as DOT&PF applied a thorough and methodical approach to reviewing, considering, and responding to all public comments that included contact information.

**23 CFR 450.210 Interested Parties, Public Involvement, and Consultation –
CORRECTIVE ACTIONS**

No Corrective Actions

**23 CFR 450.210 Interested Parties, Public Involvement, and Consultation –
RECOMMENDATIONS**

RECOMMENDATIONS D AND E – PUBLIC PROCESS: DOT&PF CONTESTS THIS RECOMMENDATION

Federal Highways Administration and Federal Transit Administration Comments

“d. The public participation process should document processes to engage the public when significant changes are made to Federal documents such as the STIP and STIP Amendments and how the disposition of public comments are made available.”

“e. The disposition of comments should address the comments received and the public should be able to find their comment and understand how it was considered for the final document. Therefore, the disposition of their comments should address their specific comment.”

DOT&PF Comments

DOT&PF fully acknowledges the importance of public participation in the STIP process and is committed to transparency in addressing public comments. Public engagement plays a critical role in the STIP process, and every effort was made to ensure that the final document accurately reflected the input from the public and stakeholders, as well as the guidance provided from FHWA and FTA.

All public comments received were recorded for public and agency review, were fully considered by DOT&PF, and documented in STIP Amendment #1, Volume 3. In addition, the detailed responses to the joint FHWA/FTA review letter were incorporated, ensuring that federal guidance was fully addressed. DOT&PF recognizes that meaningful public participation is essential, and every comment that included an email address, phone number, mailing address, or other contact information was given an individualized response. In cases where no contact information was provided, or the comments were deemed disrespectful or abusive, responses were not issued. However, such comments were still recorded and considered as part of the public engagement process.

The STIP Team takes immense pride in its engagement efforts (FIGURE 3), prioritizing personalized responses to every comment that allowed for returned communication. Whether a comment was received via email, phone, letter, or other means, our team ensured that each individual or organization received a thoughtful and specific reply. DOT&PF values the public’s role in shaping Alaska’s transportation priorities and remains committed to transparency and responsiveness throughout the entire STIP process.

FIGURE 3: STIP AMENDMENT #1 ENGAGEMENT SUMMARY TABLE OF CONTENTS

Accessibility and Civil Rights Compliance. DOT&PF is committed to ensuring that the public participation process is fully accessible, in compliance with ADA requirements, and that all members of



the public have the opportunity to engage. Public comments and responses are provided in accessible formats upon request, ensuring that individuals with disabilities have equal access to the STIP review and feedback process. Additionally, language access services, such as translation and interpretation, are available to ensure that individuals with limited English proficiency can meaningfully participate in the process. These services align with Title VI of the Civil Rights Act and federal regulations regarding language accessibility in public documents and processes.

FIGURE 4 :STIP AMENDMENT #1: ENGAGEMENT BY THE NUMBERS

Public Engagement Process. When significant changes are made to federal documents, including the STIP and STIP Amendments, DOT&PF engages the public through established public participation channels, as required under 23 CFR 450.210. Our process includes public notifications, accessible public meetings, and online comment submission options. This process is documented and regularly updated to ensure full public engagement.

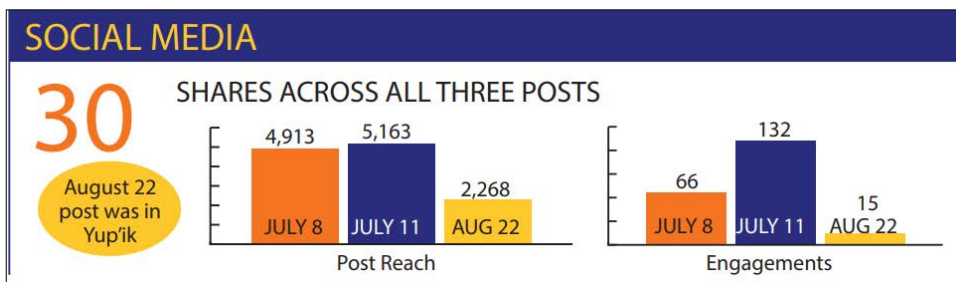


FIGURE 5: STIP AMENDMENT #1: SOCIAL MEDIA BY THE NUMBERS

Disposition of Comments. The disposition of comments follows an organized and transparent system. Comments received from stakeholders are categorized by individual or organization, and the disposition of each comment is documented clearly. Each original comment is followed by the corresponding response, whether via email or letter, and is arranged in alphabetical order by stakeholder. Additionally, the table of contents is clearly identified, allowing easy navigation through the document. Our system ensures that the public can locate their comment and understand how it was addressed in the final STIP or amendment. This approach aligns with the federal requirements under 23 CFR 450.210, and that our process supports timely and efficient project delivery while fully considering public input.



DOT&PF firmly believes that it fully complies with all applicable regulations and has established a national standard for best practices in STIP communications. Therefore, DOT&PF requests specific details regarding any deficiencies that must be addressed to ensure compliance with regulations related to the disposition of public comments in final documents.

23 CFR 450.218(m) Fiscal Constraint – NARRATIVE

FINDING – DISCREPANCIES IN ADVANCE CONSTRUCTION (AC) FIGURES: DOT&PF CONTESTS THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“There is a significant discrepancy of Advance Construction (AC) between the Fiscal Constraint Demonstration Detail table in the Narrative and projects identifying AC in the Deep Dive pages in Volume 1.”

DOT&PF Response

The figures provided in the table provided by FHWA under "Fiscal Constraint Demonstration Detail (Narrative)" and the "Consolidated from Deep Dive Pages (Volume 1)" appear to be incorrectly

calculated. The figures provided by FHWA in the "Narrative" section indicate a negative total of -\$149,351,366, while the "Deep Dive Pages" section shows a positive total of \$138,471,292. It's unclear and puzzling as to how the first negative total was arrived at, and unclear as to which deep dive pages were "consolidated" and whether this is inclusive of both project and program deep dives, regardless, a manual check of our figures from the amendment document suggests the FHWA figures are inaccurate. We request clarification on how these figures were calculated and as stated prior and in numerous meetings, we are happy to make our staff available to assist FHWA in reviewing our STIP.

TABLE 4: FHWA/FTA TABLE FROM PAGE 9

FHWA Provided

	Fiscal Constraint Demonstration Detail (Narrative)	Consolidated from Deep Dive Pages (Volume 1)
Revenue*	\$944,611,694	\$944,611,694
Programmed	\$955,491,768	? ✗ \$806,140,402
Total	? ✗ \$(149,351,366)	\$138,471,292

*Assumed the amount of revenue available is constant as documented in the Fiscal Constraint Demonstration Detail shown in Alaska DOT&PF STIP Amendment #1, Narrative.

In future correspondence, DOT&PF requests professional detailed breakdowns that support findings and corrective actions in lieu of speculative and suggestive statements such as:

“The discrepancies between the funding programmed and documented in the Deep Dive pages and the funding identified in the Fiscal Constraint Demonstration Detail raise questions about whether the table in the Fiscal Constraint Demonstration Detail accurately reflects the State, local, and Federal funds programmed in the STIP [FHWA/FTA],”

and

“It appears that some of the issues are simply errors; however, some issues are significant enough to question the validity of the Fiscal Constraint Demonstration Detail [FHWA/FTA].”

Providing specific details will ensure productive dialogue and facilitate timely and accurate responses to concerns; without such details, these comments are unproductive.



Considering the calculation errors in the only example provided by FHWA and FTA, DOT&PF requires that detailed breakdown be provided with precise explanations that supports the statement that the validity of the Fiscal Constraint Demonstration tables are in question.

FINDING – DISCREPANCIES IN FISCAL CONSTRAIN DEMONSTRATION: DOT&PF CONTESTS THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“FHWA notes a significant discrepancy between the fiscal constraint demonstration detail in the narrative and the figures shown in the "Deep Dive" pages. Specifically, the programmed amounts between the two tables do not align.”

DOT&PF Response

Per FHWA's guidelines, projects within an MPA are required to be programmed within the TIP for that area, as stipulated under 23 CFR 450.326. However, DOT&PF is also mandated by FHWA to demonstrate fiscal constraint for Alaska's MPOs, in accordance with 23 CFR 450.218. This requirement means that the Fiscal Constraint Demonstration tables must reflect financial planning not only for state-managed projects but also for FAST TIP, AMATS TIP, and WFLHD TIP.

As a result, the funds reflected in our Fiscal Constraint Demonstration tables will not be derived by simply tallying the amounts in the Deep Dive Pages. The Fiscal Constraint Demonstration tables encompass funding for all Alaska MPO TIPs, whereas the Deep Dive Pages focus solely on projects programmed by DOT&PF. This distinction accounts for the differences in totals, which are a direct consequence of FHWA's requirements to include MPO-managed projects in the Fiscal Constraint Demonstration tables. Specifically, the summary of Advance Construction (AC) programming is presented in [TABLE 5](#).

TABLE 5: AC PROGRAMMING IN STIP AMENDMENT #1

Source	AC Programmed Amount
FAST TIP	\$5,379,600
WFLHD TIP	\$2,049,503
Statewide Planning and Research Funds	\$12,471,893
AC Programmed in Project Deep Dives	\$935,590,772
AC Programmed in Fiscal Constraint Demonstration Tables	\$955,491,768

The Fiscal Constraint Demonstration in [TABLE 6](#), shows a total of \$955,491,768 programmed in AC, in compliance with federal guidelines, regardless of whether projects are programmed in the TIP or STIP. DOT&PF notes that [TABLE 6](#) indicates a fiscal constraint value of \$10,880,074 for STBG Flex in FY25 and FY27. DOT&PF iteratively increases the revenue values to balance the programming of AC, which serve as a cash management tool rather than a funding source. A further adjustment is needed to balance out the AC from \$10,880,074 back to zero, but this is not a mathematical error.

TABLE 6: DEMONSTRATION OF FISCAL CONSTRAINT AC AT HIGH-LEVEL

The FAST TIP includes \$5,379,600 programmed in AC, which is accurately reflected in the TIP for the Fairbanks area MPA. The WFHLD TIP lists a project (Keku Road Resurfacing) funded through formula allocations to the State of Alaska, with \$2,049,503 in AC. These projects, as presented in **TABLE 7**, are programmed in the TIP and not the STIP, and therefore will not have Project Deep Dives. Additionally, the Annual Work Program, which utilizes Statewide Planning and Research Funds and includes \$12,471,893 in AC, is also not required to have a Deep Dive in the STIP, as shown in **TABLE 7**.

Fund Source	Revenue	Programmed	Fiscal Constraint
FY24	\$ 62,831,601	\$ 62,831,601	\$ -
FHWA AC	\$ 62,831,601	\$ 62,831,601	\$ -
SPR AC-AC; FY24	\$ 12,471,893	\$ 12,471,893	\$ -
STBG AC-FAST, 50-200k; FY24	\$ 1,539,700	\$ 1,539,700	\$ -
STBG AC-Flex; FY24	\$ 48,820,008	\$ 48,820,008	\$ -
FY25	\$ 222,044,260	\$ 225,763,259	\$ 3,718,999
FHWA AC	\$ 222,044,260	\$ 225,763,259	\$ 3,718,999
NHPP AC-; FY25	\$ 95,020,694	\$ 95,020,694	\$ -
STBG AC-<5k; FY25	\$ 20,923,100	\$ 20,923,100	\$ -
STBG AC-FAST, 50-200k; FY25	\$ 2,020,400	\$ 2,020,400	\$ -
STBG AC-Flex; FY25	\$ 104,080,066	\$ 107,799,065	\$ 3,718,999
FY26	\$ 268,982,732	\$ 268,982,732	\$ -
FHWA AC	\$ 268,982,732	\$ 268,982,732	\$ -
Bridge AC-AC; FY26	\$ 8,290,300	\$ 8,290,300	\$ -
HSIP AC-; FY26	\$ 6,492,210	\$ 6,492,210	\$ -
NHPP AC-AC; FY26	\$ 183,723,780	\$ 183,723,780	\$ -
STBG AC-<5k; FY26	\$ 18,554,486	\$ 18,554,486	\$ -
STBG AC-FAST, 50-200k; FY26	\$ 1,819,500	\$ 1,819,500	\$ -
STBG AC-Flex; FY26	\$ 50,102,456	\$ 50,102,456	\$ -
FY27	\$ 390,753,101	\$ 397,914,176	\$ 7,161,075
FHWA AC	\$ 390,753,101	\$ 397,914,176	\$ 7,161,075
NHPP AC-AC; FY27	\$ 298,603,023	\$ 298,603,023	\$ -
STBG AC-<5k; FY27	\$ 11,471,317	\$ 11,471,317	\$ -
STBG AC-Flex; FY27	\$ 80,678,761	\$ 87,839,836	\$ 7,161,075
Grand Total	\$ 944,611,694	\$ 955,491,768	\$ 10,880,074

TABLE 7: FISCAL CONSTRAINT DEMONSTRATION FOR AC PROGRAMMED NOT IN DEEP DIVES

STIP ID	STIP Name	Funds Programmed
FY24		\$ 14,011,593
FHWA AC		\$ 14,011,593
Statewide Planning and Research Advance Construction		\$ 12,471,893
AWP [Ledger]	Annual Planning Work Program	\$ 12,471,893
Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction		\$ 1,539,700
17662	Community-Driven Transportation Projects [FAST]	\$ 1,539,700
FY25		\$ 2,020,400
FHWA AC		\$ 2,020,400
Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction		\$ 2,020,400
17662	Community-Driven Transportation Projects [FAST]	\$ 1,747,500
34686	Transportation Plans and Studies [FAST]	\$ 272,900
FY26		\$ 3,869,003
FHWA AC		\$ 3,869,003
Surface Transportation Block Grant: Population <5K Advance Construction		\$ 2,049,503
33218	Keku Road Resurfacing: Kake to Seal Point [WFLHD]	\$ 2,049,503
Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction		\$ 1,819,500
17662	Community-Driven Transportation Projects [FAST]	\$ 1,819,500
Grand Total		\$ 19,900,996

The AC totals from the Project Deep Dive pages are listed in **TABLE 8** for reference, showing a total of \$935,590,773 programmed in AC.

The difference between the Project Deep Dives and the Fiscal Constraint Demonstration tables is due to the exclusion of MPO projects in the STIP while needing to include them in the fiscal constraint demonstration tables as requested by FHWA. This also would have been an easy explanation to provide with a simple inquiry from FHWA.

If the demonstration of fiscal constraint does not comply with FHWA and FTA guidelines, as outlined in 23 CFR 450.218, DOT&PF requests the detailed and specific information, necessary to facilitate productive progress, to be provided.

Table 9 consolidates all projects programmed in the STIP, TIP, and Annual Work Program, in the same format as the Fiscal Constraint tables published in the STIP Narrative.

TABLE 8: FISCAL CONSTRAINT DEMONSTRATION FOR AC PROGRAMMED WITH DEEP DIVES PAGES

STIP ID	STIP Name	Funds Programmed
FY24		\$ 48,820,008
FHWA AC		\$ 48,820,008
Surface Transportation Block Grant: FLEX Advance Construction		\$ 48,820,008
18923	Pavement and Bridge Preservation Program: Northern Region	\$ 19,666,113
33241	Cape Blossom Road [Parent and Final Construction]	\$ 6,952,500
33962	Ice Roads, Seasonal Roads, and Winter Trails Program	\$ 725,598
33965	Rock Slope Stabilization Program	\$ 5,921,056
34302	Pavement and Bridge Preservation Program	\$ 15,554,741
FY25		\$ 223,742,859
FHWA AC		\$ 223,742,859
National Highway Performance Program Advance Construction		\$ 95,020,694
12641	Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]	\$ 23,350,000
24596	Knik Goose Bay Road Reconstruction: Centaur Avenue to Settler's Bay [Parent and Final Construction]	\$ 36,402,219
33720	Richardson Highway Milepost 275-295 Rehabilitation	\$ 1,364,550
34434	Sterling Highway Milepost 157-169 Reconstruction Anchor Point To Baycrest Hill [Stage 1]	\$ 30,719,975
34637	Parks Highway Milepost 234-238 Reconstruction and Railroad Realignment	\$ 3,183,950
Surface Transportation Block Grant: FLEX Advance Construction		\$ 107,799,065
6234	Palmer-Fishhook Separated Pathway: Trunk Road to Edgerton Parks Road [TAP Award 2023]	\$ 245,080
34302	Pavement and Bridge Preservation Program	\$ 80,241,195
34433	Fairview Loop Road Rehabilitation and Pathway [Stage 1]	\$ 15,019,057
34461	West Susitna Access Road [Stage 1]	\$ 12,293,733
Surface Transportation Block Grant: Population <5K Advance Construction		\$ 20,923,100
26085	Seppala Drive Rehabilitation and Realignment	\$ 20,013,400
26156	Center Creek Road Rehabilitation	\$ 909,700
FY26		\$ 265,113,729
FHWA AC		\$ 265,113,729
Highway Infrastructure Bridge Replacement Advance Construction		\$ 8,290,300
31469	Ward Creek Bridge Replacement	\$ 8,290,300
Highway Safety Improvement Program (HSIP) Advance Construction		\$ 6,492,210
19217	Highway Safety Improvement Program	\$ 6,492,210
National Highway Performance Program Advance Construction		\$ 183,723,780
23455	South Tongass Highway Saxman to Surf Street Reconstruction	\$ 16,456,088
30189	M/V Tustumena Replacement Vessel	\$ 79,525,218
34447	Alaska Highway Milepost 1393 Gerstle River Bridge Replacement [Stage 1]	\$ 22,829,474
34462	Sterling Highway Milepost 82.5-94 Safety Corridor Improvements [Stage 1]	\$ 64,913,000
Surface Transportation Block Grant: FLEX Advance Construction		\$ 50,102,456
32639	Chiniak Highway Milepost 15-31 Rehabilitation [Stage 1]	\$ 16,920,420
34302	Pavement and Bridge Preservation Program	\$ 33,182,036
Surface Transportation Block Grant: Population <5K Advance Construction		\$ 16,504,983
26156	Center Creek Road Rehabilitation	\$ 15,270,725
34200	Transportation Workforce Development and Training	\$ 1,234,258
FY27		\$ 397,914,177
FHWA AC		\$ 397,914,177
National Highway Performance Program Advance Construction		\$ 298,603,023
2670	Sterling Highway Milepost 157-169 Reconstruction Anchor Point to Baycrest Hill [Parent and Final Cor	\$ 39,083,692
22322	Alaska Highway Milepost 1393 Gerstle River Bridge Replacement [Parent and Final Construction]	\$ 53,538,585
22335	Parks Highway Milepost 315-325 Reconstruction [Parent and Final Construction]	\$ 47,613,153
29973	Richardson Highway Milepost 65-80 Rehabilitation	\$ 18,141,465
34165	Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Stage 2]	\$ 140,226,128
Surface Transportation Block Grant: FLEX Advance Construction		\$ 87,839,837
32638	Chiniak Highway Milepost 15-31 Rehabilitation [Stage 2]	\$ 16,556,540
32721	Hemmer Road Upgrade and Extension [CTP Award 2019]	\$ 6,094,080
32724	Seldon Road Extension [Stage 2]: Windy Bottom/Beverly Lakes Road to Pittman [CTP Award]	\$ 17,158,267
33921	Fairview Loop Road Rehabilitation and Pathway [Parent and Final Construction]	\$ 14,567,701
34206	West Susitna Access Road [Parent and Final Construction]	\$ 12,379,557
34232	Akutan Harbor Access Road [CTP Award 2023]	\$ 8,640,469
34243	Seldon Road Reconstruction: Wasilla-Fishhook Road to Lucille Street [Parent] [CTP Award 2023]	\$ 3,638,800
34302	Pavement and Bridge Preservation Program	\$ 3,892,043
34342	Bogard Road Safety and Capacity Improvements [Parent] [CTP Award 2023]	\$ 4,912,380
Surface Transportation Block Grant: Population <5K Advance Construction		\$ 11,471,317
34349	Captain's Bay Road [CTP Award 2023]	\$ 11,471,317
Grand Total		\$ 935,590,773

The difference between the Project Deep Dives and the Fiscal Constraint Demonstration tables is due to the exclusion of MPO projects in the STIP while needing to include them in the fiscal constraint demonstration tables as requested by FHWA. This also would have been an easy explanation to provide with a simple inquiry from FHWA.



If the demonstration of fiscal constraint does not comply with FHWA and FTA guidelines, as outlined in 23 CFR 450.218, DOT&PF requests the detailed and specific information, necessary to facilitate productive progress, to be provided.

TABLE 9: FISCAL CONSTRAINT DEMONSTRATION AC - ENTIRE PROGRAM

STIP ID	STIP Name	Funds Programmed
FY24		\$ 62,831,601
FHWA AC		\$ 62,831,601
	Statewide Planning and Research Advance Construction	\$ 12,471,893
	AWP [Ledger] Annual Planning Work Program	\$ 12,471,893
	Surface Transportation Block Grant: FLEX Advance Construction	\$ 48,820,008
	18923 Pavement and Bridge Preservation Program: Northern Region	\$ 19,666,113
	33241 Cape Blossom Road [Parent and Final Construction]	\$ 6,952,500
	33962 Ice Roads, Seasonal Roads, and Winter Trails Program	\$ 725,598
	33965 Rock Slope Stabilization Program	\$ 5,921,056
	34302 Pavement and Bridge Preservation Program	\$ 15,554,741
	Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction	\$ 1,539,700
	17662 Community-Driven Transportation Projects [FAST]	\$ 1,539,700
FY25		\$ 225,763,259
FHWA AC		\$ 225,763,259
	National Highway Performance Program Advance Construction	\$ 95,020,694
	12641 Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]	\$ 23,350,000
	24596 Knik Goose Bay Road Reconstruction: Centaur Avenue to Settler's Bay [Parent and Final Construction]	\$ 36,402,219
	33720 Richardson Highway Milepost 275-295 Rehabilitation	\$ 1,364,550
	34434 Sterling Highway Milepost 157-169 Reconstruction Anchor Point To Baycrest Hill [Stage 1]	\$ 30,719,975
	34637 Parks Highway Milepost 234-238 Reconstruction and Railroad Realignment	\$ 3,183,950
	Surface Transportation Block Grant: FLEX Advance Construction	\$ 107,799,065
	6234 Palmer-Fishhook Separated Pathway: Trunk Road to Edgerton Parks Road [TAP Award 2023]	\$ 245,080
	34302 Pavement and Bridge Preservation Program	\$ 80,241,195
	34433 Fairview Loop Road Rehabilitation and Pathway [Stage 1]	\$ 15,019,057
	34461 West Susitna Access Road [Stage 1]	\$ 12,293,733
	Surface Transportation Block Grant: Population <5K Advance Construction	\$ 20,923,100
	26085 Seppala Drive Rehabilitation and Realignment	\$ 20,013,400
	26156 Center Creek Road Rehabilitation	\$ 909,700
	Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction	\$ 2,020,400
	17662 Community-Driven Transportation Projects [FAST]	\$ 1,747,500
	34686 Transportation Plans and Studies [FAST]	\$ 272,900
FY26		\$ 268,982,732
FHWA AC		\$ 268,982,732
	Highway Infrastructure Bridge Replacement Advance Construction	\$ 8,290,300
	31469 Ward Creek Bridge Replacement	\$ 8,290,300
	Highway Safety Improvement Program (HSIP) Advance Construction	\$ 6,492,210
	19217 Highway Safety Improvement Program	\$ 6,492,210
	National Highway Performance Program Advance Construction	\$ 183,723,780
	23455 South Tongass Highway Saxman to Surf Street Reconstruction	\$ 16,456,088
	30189 M/V Tustumena Replacement Vessel	\$ 79,525,218
	34447 Alaska Highway Milepost 1393 Gerstle River Bridge Replacement [Stage 1]	\$ 22,829,474
	34462 Sterling Highway Milepost 82.5-94 Safety Corridor Improvements [Stage 1]	\$ 64,913,000
	Surface Transportation Block Grant: FLEX Advance Construction	\$ 50,102,456
	32639 Chiniak Highway Milepost 15-31 Rehabilitation [Stage 1]	\$ 16,920,420
	34302 Pavement and Bridge Preservation Program	\$ 33,182,036
	Surface Transportation Block Grant: Population <5K Advance Construction	\$ 18,554,486
	26156 Center Creek Road Rehabilitation	\$ 15,270,725
	33218 Keku Road Resurfacing: Kake to Seal Point [WFLHD]	\$ 2,049,503
	34200 Transportation Workforce Development and Training	\$ 1,234,258
	Surface Transportation Block Grant: Population 50-200K (FAST) Advance Construction	\$ 1,819,500
	17662 Community-Driven Transportation Projects [FAST]	\$ 1,819,500
FY27		\$ 397,914,177
FHWA AC		\$ 397,914,177
	National Highway Performance Program Advance Construction	\$ 298,603,023
	2670 Sterling Highway Milepost 157-169 Reconstruction Anchor Point to Baycrest Hill [Parent and Final Construction]	\$ 39,083,692
	22322 Alaska Highway Milepost 1393 Gerstle River Bridge Replacement [Parent and Final Construction]	\$ 53,538,585
	22335 Parks Highway Milepost 315-325 Reconstruction [Parent and Final Construction]	\$ 47,613,153
	29973 Richardson Highway Milepost 65-80 Rehabilitation	\$ 18,141,465
	34165 Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Stage 2]	\$ 140,226,128
	Surface Transportation Block Grant: FLEX Advance Construction	\$ 87,839,837
	32638 Chiniak Highway Milepost 15-31 Rehabilitation [Stage 2]	\$ 16,556,540
	32721 Hemmer Road Upgrade and Extension [CTP Award 2019]	\$ 6,094,080
	32724 Seldon Road Extension [Stage 2]: Windy Bottom/Beverly Lakes Road to Pittman [CTP Award]	\$ 17,158,267
	33921 Fairview Loop Road Rehabilitation and Pathway [Parent and Final Construction]	\$ 14,567,701
	34206 West Susitna Access Road [Parent and Final Construction]	\$ 12,379,557
	34232 Akutan Harbor Access Road [CTP Award 2023]	\$ 8,640,469
	34243 Seldon Road Reconstruction: Wasilla-Fishhook Road to Lucille Street [Parent] [CTP Award 2023]	\$ 3,638,800
	34302 Pavement and Bridge Preservation Program	\$ 3,892,043
	34342 Bogard Road Safety and Capacity Improvements [Parent] [CTP Award 2023]	\$ 4,912,380
	Surface Transportation Block Grant: Population <5K Advance Construction	\$ 11,471,317
	34349 Captain's Bay Road [CTP Award 2023]	\$ 11,471,317
Grand Total		\$ 955,491,769

FINDING – MPO TIP PROGRAMMING: DOT&PF OBJECTS TO THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“Funds identified in the MPO TIPs do not align with the amount programmed.”

DOT&PF Response

DOT&PF is surprised at this remark, as the situation should have been apparent to FHWA and FTA. Under 23 CFR 450.326, MPO TIPs and the STIP are developed and submitted independently. The amount of funds programmed in the STIP is based on updated project estimates and schedules. During STIP preparation, DOT&PF closely coordinates with the MPOs to update the TIPs as necessary. However, 23 CFR 450.326 clearly stipulates that TIPs cannot program projects that exceed their available revenue until DOT&PF has programmed the required funds within the MPA through the STIP.

To demonstrate fiscal constraint, DOT&PF must first program the necessary funds into the TIP, as required by 23 CFR 450.218(I). This regulation emphasizes that the TIP cannot program projects in advance of the revenue being programmed within the MPA. Consequently, DOT&PF must ensure fiscal constraint is demonstrated in the STIP before the MPOs can finalize their respective TIPs.

Now that Amendment #1 has been approved, the MPOs are in the process of preparing TIP amendments to align with any changes. This process is both natural and necessary. However, aligning the schedules for STIP and TIP amendments, as encouraged by FHWA and FTA, requires time to implement fully. The amendment process, governed by 23 CFR 450.328, demands significant time and effort due to the complexity and length of the submission process.

Regrettably, these new practices have resulted in delays to critical safety projects within the AMATS and FAST MPAs. FHWA rejected essential Highway Safety Improvement Projects (HSIP)—specifically, the Richardson Highway Milepost 341-362 Variable Speed Limit Signs, Seward Highway Rockfall Mitigation Milepost 113.2, and Pease Avenue Railroad Crossing Surface and Signal Upgrades—on the grounds that they were not listed in the TIP. Prior to these rejections, the TIP and STIP had both included a general "Highway Safety Improvement Program" category, which permitted projects to be added without the need for a discrete listing in the STIP or TIP.

This new requirement, which was not communicated in advance, led to the withholding and subsequent delay of similar safety projects for a full year. Such delays are particularly troubling given the urgent need for pedestrian and vehicular safety improvements in these regions. Therefore, DOT&PF requests that FHWA provide a grace period for the implementation of this new practice, allowing the TIP and STIP to incorporate such changes without further delaying safety projects.



DOT&PF requests that FHWA and FTA provide formal written documentation in advance of changes to procedures and allow for a grace period to enable adjustments to programming cycles. Written guidance ensures clear expectations and helps prevent misinterpretation of guidance.



DOT&PF requests that the FHWA and FTA provide specific examples of the referenced TIP/STIP misalignment, allowing DOT&PF and its MPO partners to effectively address the concerns and respond to their remarks.

FINDING – ARRC PROGRAMMING: DOT&PF SEEKS MORE INFORMATION

Federal Highways Administration and Federal Transit Administration Comments

"In Federal Fiscal Years (FFY) 2025, 2026, and 2027, Alaska Railroad expenditures significantly exceed the amount of Federal Transit Administration funding anticipated."

DOT&PF Response

The Alaska Railroad Corporation (ARRC) is a direct recipient of FTA Section 5307 "Urbanized Area Formula" and Section 5337 "State of Good Repair" funding. These funds do not pass through DOT&PF. As such, the role of DOT&PF, along with AMATS and FAST, is limited to receiving project details from ARRC and programming those projects into the STIP and TIPs, as required by federal regulations.

It is important to note that ARRC carries over significant unspent funds from previous years, which they utilize to balance project expenditures across multiple fiscal years. This carryover provides ARRC with the financial flexibility necessary to manage its capital projects, even when annual expenditures appear to exceed the FTA funds allocated for a particular fiscal year. This is not an uncommon practice for large transit operators managing long-term capital programs.

Historically, ARRC has not been required to break out the specific amounts of funding allocated within the AMATS and FAST Metropolitan Planning Areas (MPAs), given that its rail operations and capital projects extend well beyond MPA boundaries. In discussions with FTA, this issue was acknowledged, and some degree of over-programming was deemed acceptable, particularly in light of ARRC's management of funding at the program level, rather than the project level. This flexibility allowed ARRC to operate effectively across fiscal years while maintaining overall fiscal constraint at the program level.

For Amendment #1, programming with ARRC was refined, with efforts to more clearly define project expenditures within the MPAs. ARRC has taken steps to improve the delineation of its expenditures across regions to better align with federal requirements.

Given the recent remarks by FHWA/FTA, it is now clear that the previous level of flexibility in programming is no longer an option. Moving forward, DOT&PF will work closely with FTA, ARRC, and the MPOs to ensure that fund sources are balanced by fiscal year. While this process will require more detailed coordination, it may inadvertently limit ARRC's ability to maintain its critical mission of providing safe and reliable rail service across the Railbelt. We urge that any adjustments to this process account for the operational challenges ARRC faces in managing long-term capital projects while adhering to the updated fiscal constraint requirements.



DOT&PF requests detailed guidance on expectations for programming ARRC programs in the STIP and TIPs.

FINDING – PROCESS EXPLANATION FOR PARENT/CHILD PROJECTS: DOT&PF SEEKS MORE INFORMATION

Federal Highways Administration and Federal Transit Administration Comments

"Beyond the Deep Dive pages, the conceptual relationship of 'Parent' to 'Child' and the use of this concept within the STIP is not clarified or documented. This lack of clear documentation may confuse

how Parent-Child projects move through the Amendment and Administrative Modification processes and, in some cases, the project design phase.”

DOT&PF Response

This is the first time FHWA has brought this comment to DOT&PF’s attention. The Parent-Child project relationship has been a long-standing practice, familiar to FHWA, and used consistently in prior STIP submissions. In fact, DOT&PF worked closely with FHWA staff to ensure that the formatting and presentation of Parent-Child project pages met federal expectations and was fully acceptable.

The use of parent-child project relationships in transportation projects is a common practice across many state Departments of Transportation (DOTs). It allows for the clear phasing of large projects into manageable components (phases), such as pre-construction, right-of-way acquisition, and construction, while maintaining oversight over each component’s budget, timeline, and jurisdiction.

It appears from the comment that FHWA is requesting a more explicit explanation of this programming method within the STIP narrative. DOT&PF will comply with this request and will include a section in future STIP documents that clearly outlines the Parent-Child relationship, its function in programming, and how it is handled in the Amendment and Administrative Modification processes.

FINDING – ELIGIBILITY OF PROJECTS AND FUNDING SOURCES

Federal Highways Administration and Federal Transit Administration Comments

"All projects included in the STIP must be eligible for the funding sources to which they are programmed. The following projects appear to include ineligible elements. This could include the work type or activity associated with a specific funding source or other characteristics not allowed for Federal funding."

DOT&PF Comments

It is important to note that all projects are thoroughly reviewed for eligibility at the time Federal-Aid agreements are submitted to FHWA. The Federal-Aid management process involves frequent and detailed discussions between FHWA, the DOT&PF Federal-Aid team, project managers, and other relevant stakeholders. This collaborative review process ensures that any potential eligibility concerns are addressed and resolved when close to obligation of federal funds.

The funding sources programmed within the STIP are selected based on the best available information at the time of programming. DOT&PF and FHWA works together to finalize eligibility details during the project development and obligation phases. If any adjustments to funding sources or project elements are necessary, they are typically identified and resolved during these ongoing reviews.

Given the established practice of detailed coordination between DOT&PF and FHWA to ensure eligibility, we are confident that the programming of funding sources aligns with Federal-Aid requirements.

Should FHWA have specific concerns regarding any project, we welcome further dialogue to address those concerns and make any necessary adjustments to ensure compliance.

23 CFR 450.218(m) Fiscal Constraint – CORRECTIVE ACTIONS

CORRECTIVE ACTION D – FISCAL CONSTRAINT DEMONSTRATION: DOT&PF CONTESTS THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

The fiscal constraint demonstration in the STIP must accurately reflect the full funding anticipated for programming throughout the four years of the STIP to include state, local, and Federal funding sources. The fiscal constraint demonstration must also support the funds and resources programmed through the MPO TIPs and use the same funding source titles or abbreviations consistently throughout the document."

DOT&PF Comments

23 CFR 450.218(l) states "*The STIP may include a financial plan that demonstrates how the approved STIP can be implemented, indicates resources from public and private sources that are reasonably expected to be available to carry out the STIP... In addition, for illustrative purposes, the financial plan may include additional projects that would be included in the adopted STIP if reasonable additional resources beyond those identified in the financial plan were to become available.*"

DOT&PF's fiscal constraint demonstration far exceeds the requirements outlined in 23 CFR 450.218(l). The CFR specifies that the STIP must include a financial plan that demonstrates how the STIP can be implemented with resources that are "reasonably expected to be available." We have complied with this requirement by developing a financial plan that accurately identifies and allocates state, local, and federal funding sources, with a high degree of certainty regarding the availability of these resources.

Our STIP financial plan does not merely indicate the expected resources; it also provides a comprehensive demonstration of how these funds will be allocated across projects over the four-year STIP period. Furthermore, we have gone beyond the basic requirements by ensuring that the fiscal constraint demonstration integrates both state-managed projects and those programmed through the MPO TIPs (AMATS, FAST, and WFLHD), aligning funding sources, project timelines, and resources across multiple regions.

While 49 USC 5304(g)(5)(F)(ii) and 23 CFR 450.218(l) permit the inclusion of "illustrative" projects that could proceed if additional resources beyond those identified in the financial plan became available, FHWA and FTA have disallowed this practice. Although incorporating illustrative projects would be advantageous, DOT&PF is adhering to FHWA's new practice by including only projects with secured funding in the STIP or those utilizing Advance Construction. This approach is consistent with FHWA and FTA's expectations for fiscal constraint and reinforces our commitment to maintaining a fiscally sound and transparent transportation program.

In light of these efforts, we are confident that our Fiscal Constraint Demonstration tables not only meets but exceeds the requirements of 23 CFR 450.218. If FHWA or FTA has specific concerns, we are open to discussing them further, but based on the current information, we believe our financial plan provides the necessary certainty to implement the STIP effectively.



DOT&PF requests that FHWA and FTA allow illustrative projects back into the STIP to improve transparency with the public.

CORRECTIVE ACTION E –PROJECT ELIGIBILITY: DOT&PF CONTESTS THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

All projects included in the STIP must be eligible for the funding sources to which they are programmed. The following projects appear to include ineligible elements. This could include the work type or activity associated with a specific funding source or other characteristics not allowed for Federal funding.

DOT&PF Comments

FHWA and FTA project eligibility reviews are expected and understood as a necessary part of the process. However, over the past year, a significant number of projects have been rejected or flagged for eligibility concerns for reasons that we have not encountered in the past. DOT&PF has made thoughtful, deliberate fund source choices based on a comprehensive understanding of the eligibility guidelines outlined in 23 U.S.C. and 23 CFR. Each project has been carefully matched to its respective fund source based on scope, location, and regulatory alignment, ensuring eligibility under federal programs. The lack of specific reasoning behind recent rejections has created uncertainty and delayed project delivery, which undermines our shared goal of improving Alaska’s transportation infrastructure.



Given the strength and clarity of our rationale for programming these projects, DOT&PF requests clarification on the basis for considering 15 programs and projects ineligible, particularly in the absence of detailed explanations regarding potential eligibility issues. Several of these projects represent long-standing programs, have been included in FHWA-approved plans, or have already been approved in the 2024-2027 STIP.

DOT&PF stands ready to work closely with FHWA and FTA to align project expectations and expedite project approvals, but this requires a clearer understanding of the agencies’ reasoning when dismissing projects that Alaskan’s are counting on. Rather than a bulleted list with no explanation, DOT&PF staff require clear and precise reasons for each disapproval to fully understand FHWA’s reasoning. This level of transparency is essential for DOT&PF to make the necessary adjustments in a timely manner and avoid delays in the project delivery process, which impacts the people of Alaska.

The following projects in **TABLE 10**, flagged as questionable by FHWA, raise significant concern for both DOT&PF and external stakeholders who are depending on and expecting the timely delivery of these critical transportation projects.

TABLE 10: PROJECTS CONSIDERED BY FHWA TO MAY BE INELIGIBLE

STIP ID	Project Name	Fund Source	Additional Information
34244	Knik River Wayside Gold Star Families Memorial	TAP <5k	<p>Knik and Knik River both have populations <5,000. Projects that honor veterans or other significant groups, such as the Gold Star Families Memorial, can be eligible under TAP as community improvement projects, particularly when they enhance the transportation experience for pedestrians or cyclists, provide safe access, or create spaces of public value along transportation corridors.</p>
30729	Inter-Island Ferry Authority Ferry Refurbishments	FBF and STBG Flex AC	<p>Ferry Boat Formula (FBF) Funds are eligible for the rehabilitation and refurbishment of ferry boats under 23 U.S.C. 129(c) and 23 U.S.C. 147. These funds, provided through the FHWA’s Ferry Boat Program (FBP), support ferry-related improvements, including the construction and rehabilitation of ferry boats, terminals, and facilities.</p> <p>The FBF Program does not restrict funds exclusively to the Alaska Marine Highway System (AMHS). Governed by 23 U.S.C. 129(c), it allocates federal funds to eligible ferry services across the U.S.</p> <p>The IFA has historically received federal funding for infrastructure and vessel refurbishments. The AMHS and South Tongass Avenue in Ketchikan are designated components of the NHS. Under 23 U.S.C. 103(b), intermodal connectors, such as ferry routes, may be included in the NHS when they link major transportation facilities or stranded components of the NHS. As IFA’s routes connect these components, IFA is eligible for FBF Funds.</p>
33241	Cape Blossom Road [Parent and Final Construction]	HIP Bridge, HIP Bridge – Off System; STBG, STBG <5k; CDS	<p>The Highway Bridge Program (HBP) and the Bridge Formula Program (BFP) administered by the FHWA provide funding for both on-system and off-system bridge projects, including new construction in remote locations like Kotzebue, Alaska. According to 23 U.S.C. 144, funding from these programs can be used for the construction, rehabilitation, or replacement of bridges on public roads. This applies whether the bridge is on the National Bridge Inventory (NBI) or a new bridge that will be added to the NBI upon completion.</p> <p>Recently, the Tribal Transportation Priority Bridge Program has further expanded the funding pool for eligible projects. This grant will likely alter the funding composition for the Kotzebue bridge project in the upcoming STIP. However, likely a portion of HIP Bridge</p>

			<p>funds will remain for construction of the bridge approach.</p> <p>A bridge funded by Tribal/BIA funds can still be added to the National Bridge Inventory (NBI), provided it meets the necessary requirements outlined by FHWA. The key criteria for inclusion in the NBI are that the bridge must be on a public road and meet minimum structural length requirements (20 feet or more). Whether the bridge is funded by Tribal Transportation Program (TTP) funds or BIA funding, as long as it serves a public transportation need and is inspected under the National Bridge Inspection Standards (NBIS), it is eligible for inclusion in the NBI.</p>
34302	Pavement and Bridge Preservation Program	NHPP, HIP Bridge, STBG Flex, STBG 5-49k, PROTECT, STBG 50-200k, STBG Off-system Bridge	FHWA’s concerns about ineligibility are surprising, especially considering the broad funding eligibility provided under 23 U.S.C. and 23 CFR. A wide variety of fund sources were programmed to accommodate the repair, preservation, and construction of roads and bridges, whether they are part of the National Highway System (NHS) or classified as off-system (non-NHS).
34197	Data Modernization and Innovation	STBG Flex, CMAQ, NHPP, CRP <5k, CRP 5-49k	The inclusion of program leveraging these funding sources is both appropriate and fully compliant with FHWA regulations. Flagging this project for ineligibility is perplexing as it is clearly eligible for the programmed funds due to its focus on modernizing transportation infrastructure and systems that align with the goals of each fund program.
34313	State-owned Shipyard Repairs	FBF	<p>IJA, Section 11117. Toll Roads, Bridges, Tunnels, and Ferries states “Section 129(c) of title 23, United States Code, is amended in the matter preceding paragraph (1) by striking “the construction of ferry boats and ferry terminal facilities, whether toll or free,” and inserting “the construction of ferry boats and ferry terminal facilities (including ferry maintenance facilities,) whether toll or free, and the procurement of transit vehicles used exclusively as an integral part of an intermodal ferry trip.” Our interpretation of the law is that State owned shipyard repairs associated with ferry maintenance facilities are eligible.</p> <p>Furthermore, Memorandum “Implementation Guidance for the Ferry Boat Program (FBP) as Revised by the Bipartisan Infrastructure Law” dated 4/21/23 Section E.5 (page 12) defines Terminal Facility as “A ferry terminal facility includes the structures and amenities that directly</p>

			serve the ferry boat operation. These include passenger parking, ticketing, waiting area, boarding and disembarking facilities, docks, slips, dolphins and shore improvements necessary for docking, administrative space specifically for on-site ferry administration and vessel crew, and ferry vessel maintenance facilities.”
28810	Herring Cove Bridge Rehabilitation	STBG Off-System Bridge	This project will replace the existing bridge with a structure that accommodates both vehicular and pedestrian traffic. The new bridge will include ADA-accessible pedestrian sidewalks on each side, enhancing safety and accessibility for both pedestrians and vehicles. As an off-system bridge, it is eligible for Surface Transportation Block Grant (STBG) - Off-System Bridge funding. This funding is specifically aimed at bridges not on the federal-aid highway system, but which serve important public transportation needs.
34461	West Susitna Access Road	STBG Flex AC; INFRA Bridge; HIP Off-System Bridge	The scope of the West Susitna Access project in the 2024-2027 STIP is: <i>“Construct a new road connecting the contiguous highway system to State recreation lands west of the Susitna River. Construct a boat launch facility accessing the Susitna River.”</i> This scope implied bridge construction by stating accessing recreations lands west of the Susitna River (which requires a bridge).
34442	Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOGR 2018] Stage 1	Discretionary Grants, NHPP	This project is funded through an FY23 Areas of Persistent Poverty Grant with supplemental funds through the NHPP. As this project is on the NHS and has an awarded grant, the reason for considering this project potentially ineligible is unclear.
34443	Parks Highway Milepost 99-163 Improvements and Railroad Creek Bridge Replacement [SOGR 2018] Stage 2	Discretionary Grants	This project is funded through an FY23 Areas of Persistent Poverty Grant As this project has an awarded grant, the reason for considering this project potentially ineligible is unclear.
32723	Redoubt Avenue and Smith Way Rehabilitation [CTP Award 2019]	STBG Flex, STBG <5k	The population of Soldotna, Alaska as of 2024 is approximately 4,651. Since the population is under 5,000, Soldotna would be considered eligible for STBG <5000 population funding.
32299	Takotna River Bridge Replacement	HIP Bridge, INFRA Bridge	These funding sources are appropriate for the project due to its scope, which involves the full replacement of an existing bridge that serves critical transportation

			needs in a rural and remote area of Alaska. HIP Bridge funds are specifically designed for the construction, replacement, or rehabilitation of highway bridges. INFRA funds are awarded to projects that improve transportation infrastructure, including bridges, with a focus on enhancing freight movement, safety, and infrastructure resiliency.
33242	Sterling Highway Milepost 45-60 [Stage 2]	INFRA Bridge, HIP Bridge, NHPP,	<p>This STIP ID has already been approved with \$176m obligated prior to FY24. A cost increase of \$5m was needed in FY24. The only remaining item is the AC conversions, which total \$118 million.</p> <p>The Juneau Creek Bridge is eligible for funding under all three sources listed (INFRA Bridge, HIP Bridge, and NHPP), fully aligning with the bridge construction scope.</p> <p>Currently, the work type is listed as pavement reconstruction due to the multiple components included under this STIP ID, such as road realignment, wildlife crossings, and bridge construction. However, FHWA may prefer the work type to be changed to new bridge construction given the significance of the Juneau Creek Bridge in this project.</p> <p>Although the scope of work already includes constructing the highway bridge over Juneau Creek, DOT&PF is willing to update the work type classification if that facilitates the conversion of the outstanding \$118 million AC balance.</p>

The project in **TABLE 11** are included in the DOT&PF Transportation Carbon Reduction Strategy, establishing their eligibility for carbon reduction fund types. Let us know if you'd like further modifications.

TABLE 11: PROJECTS APPROVED IN CARBON REDUCTION STRATEGY THAT NOW MAY BE INELIGIBLE

Project ID	Project Name	Eligibility
34455	Construction Material Waste	In Carbon Reduction Strategy - Eligible for funds
34452	Rural Dust Mitigation Program	In Carbon Reduction Strategy - Eligible for funds

CORRECTIVE ACTION F – SAFER SEWARD HIGHWAY (MP 98.5-118): MORE INFORMATION IS NEEDED

Federal Highways Administration and Federal Transit Administration Comments

“Some “Parent” projects extend into MPO Metropolitan Planning Areas (MPA).”

“The “Parent” project cannot include final design, ROW or construction for a child project that is located in an MPO’s Metropolitan Planning Area boundary (MPA) if the child project located in that MPA is not included in the MPO TIP. The following project is excluded from STIP Amendment #1 approval: 12641 - Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction]”

“One project, the Seward Highway Milepost 98.5 to 118 Bird Flats to Rabbit Creek [Parent and Final Construction], extends into the Anchorage MPO’s MPA and the “Child” portions, Stage 1 and Stage 6, of the project are not included in the MPO’s TIP.... The “Parent” project does program ROW (P3) and Final Design (P2b) for the full project including those areas located in the MPA under Stage 1 and Stage 6.”

DOT&PF Comments

DOT&PF would have appreciated feedback from FHWA much earlier—back in July 2023, when the Seward Highway Safety Corridor project was added to the STIP. Then again in March 2024, when FHWA rejected the project due to a technicality arising from a variance between the project name in the AMATS MTP and the TIP. Clarification at these points would have greatly helped DOT&PF to properly program this major NHS project in both the STIP and TIP.

Programming a major project that spans both within and outside a MPA and is on the National Highway System (NHS) requires adherence to multiple federal regulations. This ensure that the project is included in both the STIP and the TIP, and that it complies with fiscal constraint and planning processes for both the State and MPO.

It is common practice for DOT&PF to program pre-construction phases under a single parent project, with subsequent child projects broken out for construction once the necessary details are confirmed, especially when managing a project spanning both MPA and non-MPA boundaries. It should be noted that this process aligns with federal regulations under 23 CFR 450.324 and 450.218, which permit phased programming and the use of parent-child project structures to manage complex transportation projects.

In this round of findings, it appears that FHWA is indicating that the pre-construction funds should be split between the STIP and TIP. DOT&PF is committed to resolving any issues through coordination with the MPO and FHWA to ensure that this Safety Corridor project can be programmed in compliance with both STIP and TIP requirements.



DOT&PF requests clarification on which additional projects are being referenced in the statement that “some parent projects extend into an MPA,” as only one example is provided, and DOT&PF is not aware of any others.



DOT&PF has sought guidance from FHWA on the technical programming of the Safer Seward Highway Corridor (Milepost 98.5-118) without success; we request specific instruction as to how to best program this unique parent/child project in the STIP and TIP.

CORRECTIVE ACTION G – ADVANCE CONSTRUCTION STIP PROCEDURES: DOT&PF CONTESTS TO THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

“The statement in STIP Narrative, Advance Construction section, stating, “Payback of advance construction may be considered through administrative actions versus STIP amendments.” must be removed from the STIP.”

DOT&PF Comments

Regardless of FHWA’s interpretation, DOT&PF maintains that it has the legal authority, as provided under 49 U.S.C. 5304(g)(9), to reprioritize projects within the STIP. Specifically, 49 U.S.C. 5304(g)(9) states: *“Modifications to project priority.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project in the program.”*

This statutory authority allows DOT&PF to adjust project priorities within the approved STIP without requiring federal action, provided that the projects are within the framework of the existing program.

The removal of this language seems counter to allowances in federal regulations, specifically 23 CFR 630.709(a), which states: *“The State Department of Transportation may submit a written request to the FHWA that a project be converted to a regular Federal-aid project at any time provided that sufficient Federal-aid funds and obligation authority are available.”*

This regulation clearly allows for the conversion of AC to regular Federal-aid projects without necessitating a full STIP amendment, provided that the federal funding and obligation authority are in place. Thus, DOT&PF’s original statement in the STIP Narrative is consistent with the flexibility provided to states under 23 CFR 630.709(a), and the state’s authority to manage project priorities as outlined in 49 U.S.C. 5304(g)(9). This mandate to remove the phrase, *“Payback of advance construction may be considered through administrative actions versus STIP amendments,”* which pertains solely to fund management, appears to overreach the state’s statutory discretion in managing Advance Construction conversions and project prioritization without clear regulatory justification.



DOT&PF requests a written legal opinion from FHWA identifying the specific regulation or statute that grants them authority to remove the state’s ability to convert AC .

23 CFR 450.218(m) Fiscal Constraint – RECOMMENDATIONS

RECOMMENDATIONS F, G, H, & I– FISCAL CONSTRAINT: DOT&PF CONTESTS THE RECOMMENDATIONS

Federal Highways Administration and Federal Transit Administration Comments

“f. The conceptual use of “Parent” and “Child” in the STIP should be clearly documented. This includes defining the terminology, the programming processes and any special considerations given to projects captured in this concept. In addition, the concept description should consider how final design is programmed for the Parent vs. for the Child projects; how STIP revisions are determined; and the relationship of Parent and Child projects to the NEPA process and NEPA decisions.

g. The risk associated with the historic levels of AC should be clarified and the consequences of not receiving these funds should be documented so that the public will have the opportunity to understand the decisions that may be made if State funding is not available for the projects programmed for AC.

h. The STIP should document how the Alaska DOT&PF uses AC and ACC and the processes by which these funds may be applied to projects programmed in the STIP during project authorization and obligation.

i. Project groupings included in the STIP should be limited to a single work type. In addition, the list of individual projects intended for any group listed in the STIP should be made available whenever it is requested.”

DOT&PF Comments

DOT&PF contests Recommendations F, G, H, and I, as they are closely connected to the corrective actions outlined in the Federal Planning Findings. These recommendations have been thoroughly addressed in previous sections, and we maintain that our current processes are fully compliant with federal regulations. Therefore, we disagree with these recommendations and dispute their inclusion on the same grounds.

23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming – NARRATIVE

FINDING – PERFORMANCE MANAGEMENT: DOT&PF CONTESTS THIS FINDING

Federal Highways Administration and Federal Transit Administration Comments

“However, the data is showing that some targets are not currently being met or likely to be met as required. Appendix C also provides a detailed listing of potential actions the DOT&PF may take for those targets that are not being met. However, it is not clear what actions the DOT&PF is currently taking to address those targets that are underperforming.”

DOT&PF Comments

Based on DOT&PF’s records and the latest Performance Score Card and TAMP Consistency Determination, which can be accessed via the links below, DOT&PF is currently meeting all federal performance targets. Additionally, we fully expect to continue meeting these targets with our current selection of projects.

- <https://statics.teams.cdn.office.net/evergreen-assets/safelinks/1/atp-safelinks.html>
- https://dot.alaska.gov/stwddes/asset_mgmt/assets/fhwa_consistency_tamp.pdf



Based the latest Performance Score Card and TAMP Consistency Determination, DOT&PF is meeting all federal performance targets. We request specific details regarding which federal performance targets FHWA is referencing as not being met.

23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming – CORRECTIVE ACTION

CORRECTIVE ACTION H – TRANSPARENCY IN PROJECT SELECTION:

DOT&PF CONTESTS THIS CORRECTIVE ACTION

Federal Highways Administration and Federal Transit Administration Comments

“The STIP must clarify the performance-based planning processes and the project selection processes that support the investment priorities programmed in the STIP. This includes identifying not only the final list of prioritized projects but how projects are selected and programmed into the STIP.”

DOT&PF Comments

DOT&PF takes great pride in ensuring a transparent and structured process for the selection and allocation of funding for projects included in the STIP. Contrary to FHWA's concerns regarding transparency, DOT&PF has developed a comprehensive section in the STIP narrative titled "Project Selection and Funding Allocation," which clearly outlines the procedures and criteria used for project identification and prioritization.

The Project Selection and Funding Allocation process is driven by data-informed decision-making and includes input from local agencies, stakeholders, and regional planning organizations. DOT&PF utilizes performance metrics and socioeconomic analysis to identify critical infrastructure needs and targets projects that align with both state and federal goals. This process ensures that the projects selected for inclusion in the STIP are based on thorough assessments of existing conditions, funding availability, and statewide priorities.

To further enhance transparency, DOT&PF incorporates a competitive process through the Project Evaluation Board (PEB), which evaluates, scores, and ranks project proposals. The PEB's criteria for evaluation are based on key factors such as strategic alignment with long-term transportation goals, project readiness, cost-effectiveness, public benefit, and financial feasibility. Each project undergoes a rigorous scoring process, which is publicly available, ensuring that the project selection process is transparent and aligned with the state's transportation strategy.

For projects that arise under unique or urgent circumstances, Expedited Priority Projects may be added to the STIP. These projects, though outside the standard selection process, are added transparently based on their timeliness and critical need.

DOT&PF regularly updates and refines its processes to ensure the Project Selection and Funding Allocation section remains accurate, transparent, and aligned with federal regulations. Through data-driven decision-making, stakeholder collaboration, public engagement, and thorough documentation of the project selection process, DOT&PF remains committed to maintaining full transparency within the STIP.

Given our documented compliance and continued success in meeting federal performance targets, as well as the clear and structured project selection processes outlined in our documentation, we are unclear as to the basis for this corrective action. The STIP already reflects a robust and transparent process that prioritizes and programs projects in accordance with FHWA/FTA guidelines. Furthermore, our current project selection process supports the investment priorities needed to meet and maintain our federal performance targets. DOT&PF is committed to ensuring transparency and compliance with federal requirements, but the existing processes and records demonstrate our full alignment with these expectations.



DOT&PF'S project selection and programming processes align with 23 CFR Part 450 and support both state and federal goals. Given our compliance and success in meeting federal performance targets, we seek specific details regarding any areas requiring improvement.

23 CFR 450.218(q) Transportation Performance Management (TPM) and 23 CFR 450.206(c) Performance-Based Planning and Programming – RECOMMENDATIONS

RECOMMENDATION J: PERFORMANCE MANAGEMENT TARGETS: DOT&PF CONTESTS THIS RECOMMENDATION

Federal Highways Administration and Federal Transit Administration Comments

For Federal transportation performance management targets that are under performing or for those that are not meeting their targets, the DOT&PF should document the actions currently underway to improve the State's ability to meet those targets.

DOT&PF Comments

DOT&PF contests Recommendation J, which suggests documenting actions for addressing underperforming federal transportation performance management targets. DOT&PF maintains that our current processes fully address the actions necessary to meet these targets, as previously stated. Therefore, we dispute the inclusion of this recommendation on the same grounds and consider it adequately addressed.



U.S. DEPARTMENT OF TRANSPORTATION

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SEATTLE, WASHINGTON 98174

October 23, 2024

Mr. Ryan Anderson, P.E., Commissioner
Alaska Department of Transportation and Public Facilities
P.O. Box 112500
3132 Channel Drive
Juneau, AK 99811

Subject: Statewide Transportation Improvement Program (STIP) Amendment #1 Federal Planning Finding

Dear Mr. Anderson:

The Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) received the Alaska Department of Transportation and Public Facilities (DOT&PF) response to FHWA and FTA's September 26, 2024, STIP Amendment #1 partial approval and Federal Planning Finding. We appreciate your interest in resolving the issues outlined in the Federal Planning Finding and look forward to continuing to work with you. We believe the best way to address your comments is to meet with DOT&PF staff to clarify expectations, resolve areas of disagreement, and begin development of an action plan to support resolution of the corrective actions.

In addition, the upcoming Transportation Capacity Building Program Peer Exchange is an opportunity to share best practices and lessons learned from other State DOTs and MPOs about STIP management and MPO coordination. This exchange should provide ideas for improvement to the DOT&PF STIP management processes.

We appreciate the DOT&PF's engagement and look forward to the advancement of projects in Alaska.

If you have any questions, please reach out to Julie Jenkins at julie.jenkins@dot.gov and Ned Conroy at ned.conroy@dot.gov.

Sincerely,

**SANDRA A
GARCIA-ALINE** Digitally signed by SANDRA
A GARCIA-ALINE
Date: 2024.10.23 14:31:13
-08'00'

Sandra A. Garcia-Aline
Division Administrator
Federal Highway Administration
Alaska Division

**SUSAN KAY
FLETCHER** Digitally signed by
SUSAN KAY FLETCHER
Date: 2024.10.23
15:06:01 -07'00'

Susan Fletcher, P.E.
Regional Administrator
Federal Transit Administration
Region 10

Electronically cc:

Katherine Keith, Deputy Commissioner, DOT&PF
Dom Pannone, Director, Program Management and Administration, DOT&PF
Ned Conroy, FTA, Senior Community Planner
Aaron Jongenelen, AMATS, Planning Manager and MPO Coordinator
Jackson Fox, FAST Planning, Executive Director
Kim Sollien, MatSu MVP, MPO Coordinator



Mat-Su Borough Transit Continuity

Common Questions – Transit

The following questions and answers, organized by topic, are in response to the question:

What questions would you want to know answers to while considering funding match for transit?

Funding

What is the bottom line for the Borough's part? What would the mill rate increase be?

\$1.5 million to maintain the current level of service. The amount is based on an estimated \$3 million operations budget for Valley Transit in FY2024. \$1.5 million could be generated by a mill rate increase of about 0.114 which would result in approximately \$40 per year per single family home in property taxes.

Sources: [2024 Valley Transit program information.pdf](#) and [20230509 Assembly Adopts FY24 Budget.pdf](#)

What are you going to do with my money? How are their services being used?

Source: [2024 Valley Transit program information.pdf](#)

Commuter service:

- Six large buses (54 seat capacity).
- 14 round trips Monday through Friday and four round trips on Saturdays.
- 9,086 rides on commuter service in the first quarter of fiscal year 2024.
- Costs \$1.59 million per year, 53% of the total budget.

Demand response:

- Six small buses (20 to 26 seat capacity) and three SUVs and minivans (4 to 5 seat capacity). All have wheelchair lifts.
- Many origins and many destinations in nine zones, Houston, Big Lake, Meadow Lakes, Knik Goose Bay, Fairview, Port MacKenzie, Wasilla, Palmer, and Butte.
- 6,184 rides on demand response in the first quarter of fiscal year 2024.
- Costs \$1.41 million per year, 47% of the total budget.

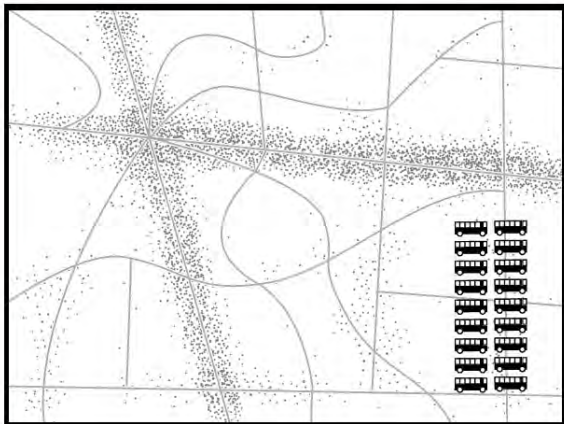
How do we know we won't be funding empty buses? The last and first bus are usually the lowest ridership but, if you take away those trips it reduces the people that rely on the second to last because they do not want to depend on the last trip out.

Source: [2024 Valley Transit program information.pdf](#)

Full buses are not the only objective. Coverage is also a goal. "Ridership and coverage goals come into direct conflict with one another. If a transit agency wants to do more of one, it must (within a fixed budget) do less of the other, due to fundamental geometry and geography." Source: [2016 Anchorage Talks Transit Final Report.pdf](#)



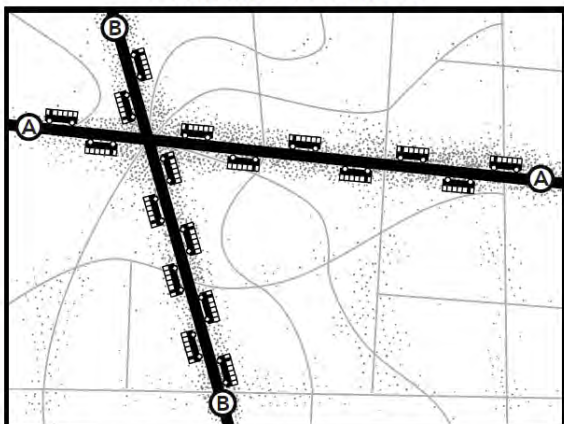
Mat-Su Borough Transit Continuity



Imagine you are the transit planner for this fictional town. The dots scattered around the map are people and jobs; the streets shown are ones on which transit can be operated. The buses are the resources the town has to run transit.

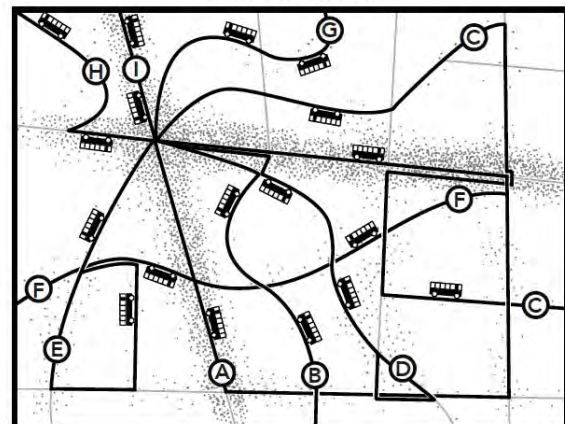
Before you can plan transit routes, you must first decide what you want transit to do.

Ridership Goal
"Think like a business"



This transit network is designed to generate high ridership as efficiently as possible. The transit agency has thought like a business, investing its resources only into the best transit markets.

Coverage Goal
"Access for all"



This network is designed to provide some access to the transit system for all people. The transit agency has divided its resources among many routes throughout the town, none very frequent.

Source: [2016 Anchorage Talks Transit Final Report.pdf](#)

What is the business plan? Management of the funding and program, etc. Transit is not the same as a business. It does not operate in the black and depends on federal and local funding to operate, much like roads, bridges, and airports. Fares cover only a small part of the operational cost. Source: [2022 2021 Valley Transit Auditor's Report.pdf](#)

Management of the funding and grant program would be a combination of responsibilities for the Borough and the transit service provider. The Borough would apply for federal funding and seek a contractor to provide transit services. It would be the service provider's responsibility to manage day-to-day activities and file required reports to the Federal Transit Administration. Source: [2023 DOT&PF MSB Transit Continuity Plan.pdf](#)



Mat-Su Borough Transit Continuity

Can transit providers still apply for the rural coverage services directly? Does that make the urban part of the operating cost lower than the \$3 million? There does not seem to be a way to split urban and rural funding in this way.

Source: [Meeting with DOT&PF representatives](#)

What role does Anchorage have in the commuter services? It appears that cost sharing with Anchorage is unlikely. Valley Transit focuses on getting local residents to where they want to go, including commuting to Anchorage and back.

Source: [Meeting with DOT&PF representatives](#)

Can the federal transit funding be used for commuter rail? Yes, however only a small amount of railroad tracks run through the designated urban area, making the percentage of their allocation minimal.

Source: [Meeting with DOT&PF representatives](#)

Does the Mat-Su Health Foundation have interest in continuing their match? The Mat-Su Health Foundation did continue their match an additional year to support the funding transition and continuity of transit. They have not expressed interest in making additional changes to their original agreement which provided transit funding since 2017, with the expectation that once the Borough became an urbanized area, the responsibility of providing local match would transfer to the local government.

What is the outcome if we don't fund it? Valley Transit would likely suffer a funding crisis and would not be able to provide transit service, leading to a domino effect on direct and indirect benefits. 29 people would lose their jobs. The Valley would no longer bring \$1.5 million dollars of federal funding per year into the economy. Indirect service providers would lose a client. People who use transit would have a reduction in quality of life and an increase in transportation expenses.

Source: [2023 DOT&PF MSB Transit Continuity Plan.pdf](#)

Story: "My mom cannot walk, nor stand, and we rely on public transit to move to and from her medical appointments. Without the wheelchair-accessible public transit, she would not be able to attend her appointments and her healthcare/quality of life would greatly diminish."

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

Story: "I'm able to drive here and do out of necessity, but lack of transit would decrease foot traffic downtown which would impact my job."

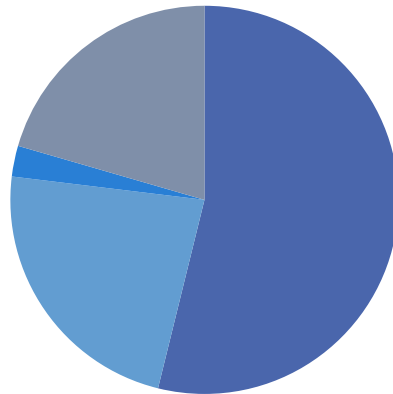
Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)



Mat-Su Borough Transit Continuity

How would a decrease or loss in transit services impact you?

Answered: 39, Skipped: 3



■ Strongly impact ■ Some impact ■ Little impact ■ No impact

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

Benefits

What are the benefits?

- Supporting the mobility of residents in the urban area through the continuation of public transportation. [Source: 2023 DOT&PF MSB Transit Continuity Plan.pdf](#)
- Increasing job and education opportunities for residents.
- Bringing federal funding into the Alaskan economy. [Source: 2023 DOT&PF MSB Transit Continuity Plan.pdf](#)
- Providing 62,000 average annual rides (2019). [Source: 2022 Economic Value of Public Transit in Alaska.pdf](#)
- Directly employing 29 people at Valley Transit. [Source: 2022 Economic Value of Public Transit in Alaska.pdf](#)
- Economics. [Source: 20240610 Urban Transit 101 Presentation_Wasilla.pdf](#)
 - **Direct:** Transit agencies employ workers, pay wages, and invest in equipment and supplies.
 - **Indirect:** Transit agencies purchase goods and services from Alaskan companies which in turn employ and pay workers.
 - **Induced:** Transit agency and supplier employees spend their income, generating additional activity within the Alaska economy.

Story: "I work for ConocoPhillips and public transit has enabled me to commute to Anchorage without all the hassle, stress and frustration of driving my private vehicle. It helps to keep extra cars off the road to mitigate traffic and lessens the wear and tear on the road system."

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)



Mat-Su Borough Transit Continuity

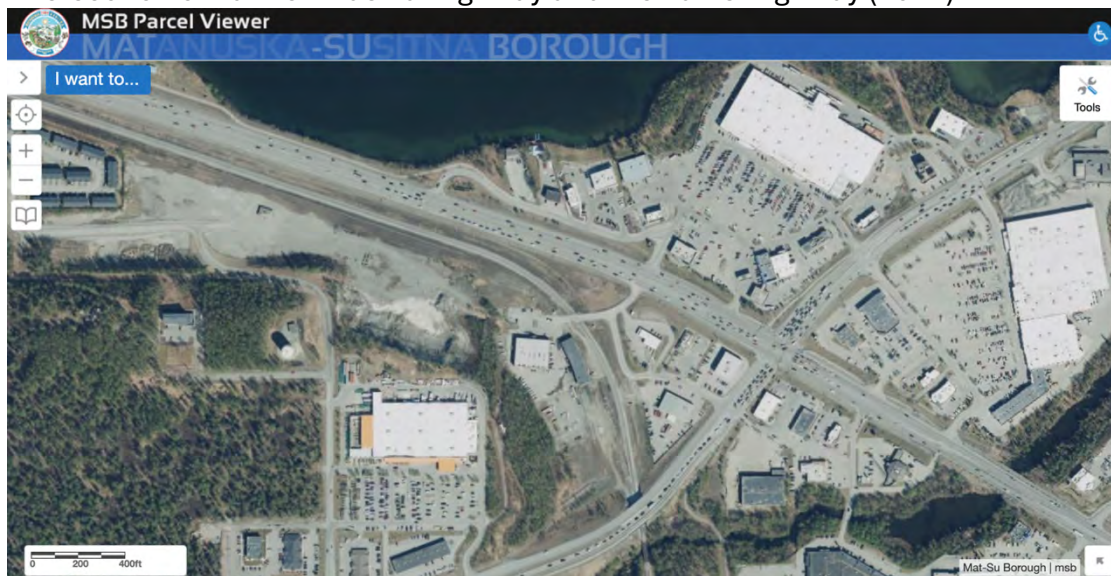
Story: "I have worked seasonally at an office in anchorage since I was 15 and because of that have been able to afford college and many of my own living expenses. This would not be possible without public transit as it allowed me to be able to drive when I wasn't capable and couldn't afford to do so."

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

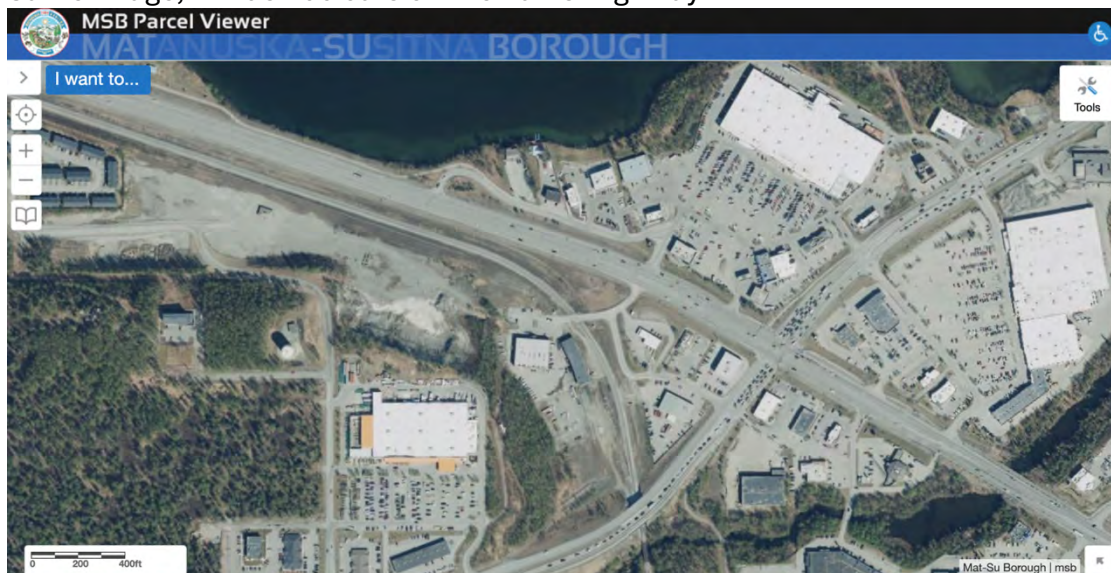
How much traffic are we taking off the Glenn Highway? There were 9,086 commuter rides in FY24 Q1, 36,344 estimated for the full year. Dividing by 262 working weekdays is 139 vehicles off the road per weekday (less than 1% of the traffic on the Glenn Highway).

Source: [2024 Valley Transit program information.pdf](#)

Intersection of Palmer-Wasilla Highway and the Parks Highway (2011).



Same image, minus 100 cars on the Parks Highway.





Mat-Su Borough Transit Continuity

What are other benefits that are not otherwise provided for such as VA trips, etc?

Source: 2023 DOT&PF MSB Transit Continuity Plan.pdf

- Lifeline for residents who lack other means of transportation to access medical appointments, reach job opportunities, and acquire groceries.
- Removing transit would disproportionately affect people in zero-car households, lower-income families, or are younger, older, or not-white.
- Free fares on Fridays for seniors and youth on the commuter bus and reduced fares every day on demand response. Source: <https://www.valleytransitak.org/>
- ConocoPhillips pays for employees to ride free.
- Veterans Affairs pay for veterans to ride free.
- UAA pays for students and staff to ride free.

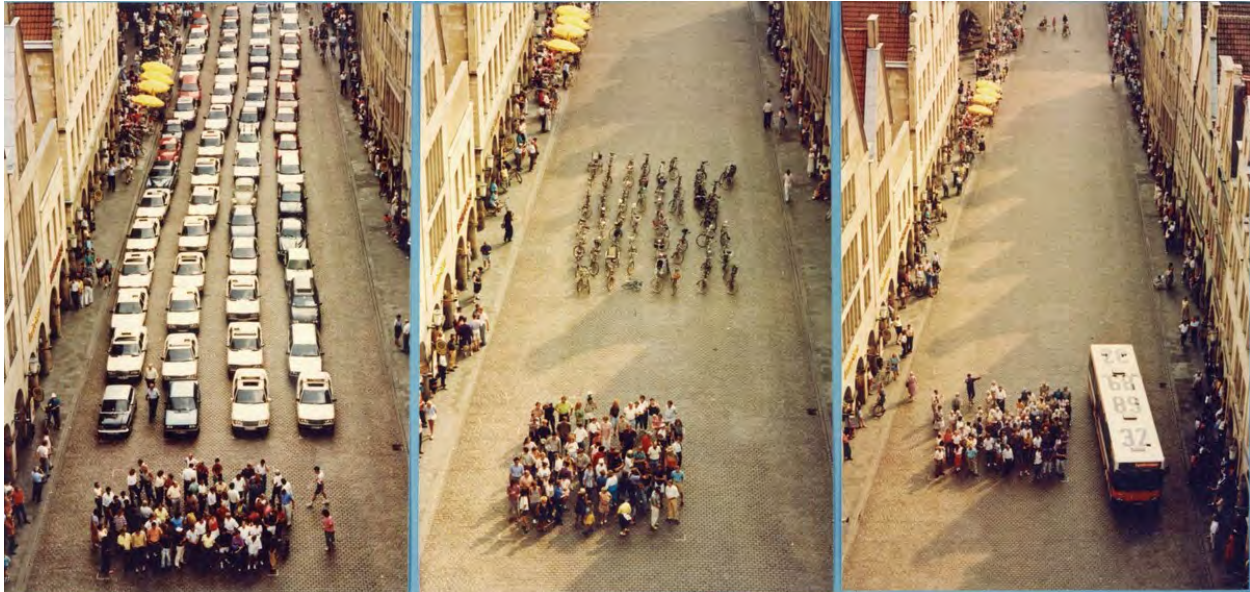
Can transit help us with road safety problems? Riding the bus is safer than driving a personal vehicle.

Source: 2022 Economic Value of Public Transit in Alaska.pdf

Can transit help us with road congestion problems? Yes, transit can reduce congestion because of the relative space taken up by types of vehicles, however it is difficult to quantify and requires high frequency service in a densely populated area.

Source: 2016 Anchorage Talks Transit Final Report.pdf

The image below shows space needed for cars, bikes, and buses.





Mat-Su Borough Transit Continuity

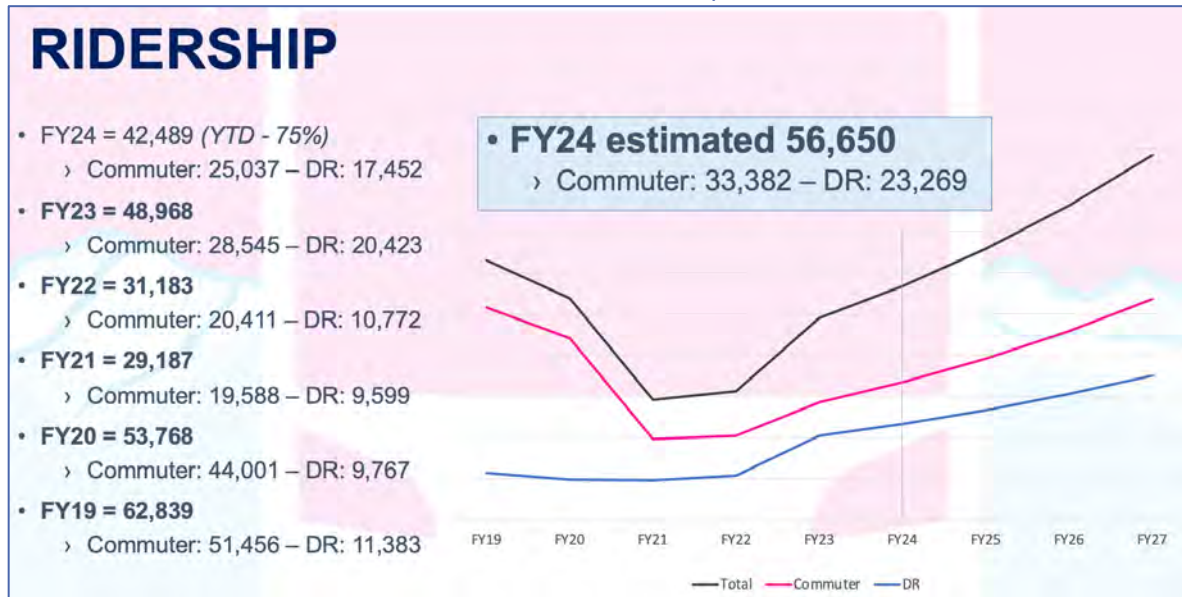
Operations

What is the commuter/demand response operating expenses split? 53% commuter and 47% demand response.

Source: 2024 Valley Transit program information.pdf

What are transit trends?

Source: 20240610 Urban Transit 101 Presentation_Wasilla.pdf



What is the socio-economic spread of users?

Source: 2022 Economic Value of Public Transit in Alaska.pdf

24 Percent

Of AK transit trips by young people under age 16

34 Percent

Of AK transit trips by people who are 60+ years of age

Table 2: Demographics of Alaska transit commuters compared to total Alaskan commuters

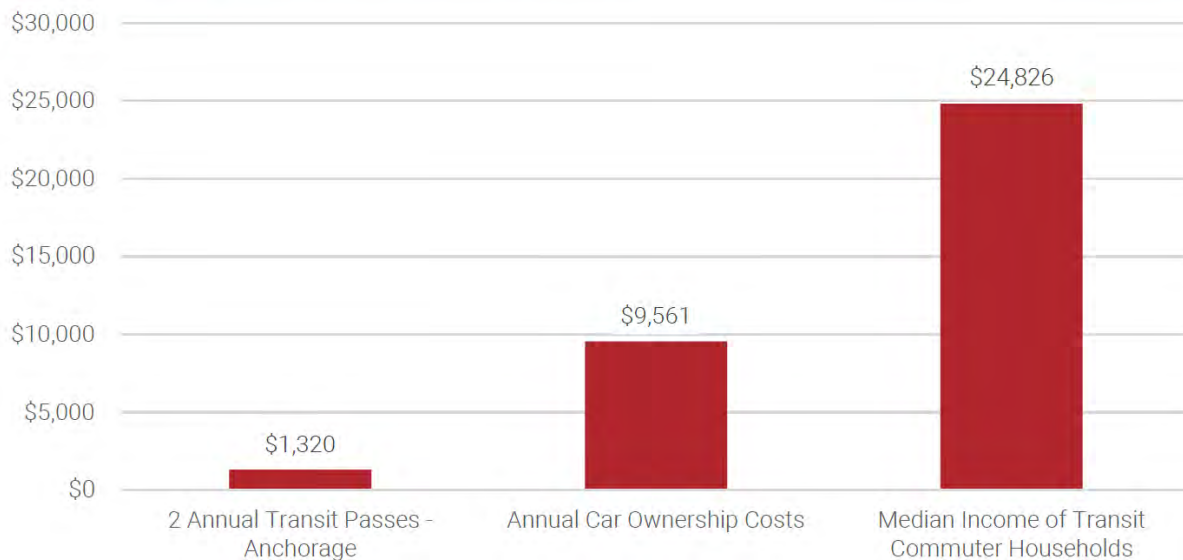
Demographic	Transit Commuters	Total Commuters
Zero Household Cars Available (%)	27.8%	5.4%
Non-White Racial/Ethnic Composition (%)	52.3%	33.8%
Median Income (2019 \$)	\$24,826	\$44,025

Source: American Community Survey (ACS) 5-Year Estimates Subject Tables, 2015 – 2019. S0802: Means of Transportation to Work by Selected Characteristics. US Census.



Mat-Su Borough Transit Continuity

Figure 14: Comparison of Car Ownership and Transit Affordability to Median Household Income of Transit Commuters



Source: [Annual Cost of Car Ownership from AAA \(2020\)](#). [Anchorage Full Cost Annual Transit Passes are \\$660 each](#), with an assumed two commuters per household. Median Income of AK Transit Commuters from ACS 2015 – 2019.

Is transit possible in the car-centric valley? Yes, transit is active in the valley.

Story: “There’s a lot of work to do before it’s more appealing than driving. Someday I expect my eyesight will be too bad for driving, and it would be nice when that day comes to not be trapped.”

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

How do we make it convenient enough for people to actually use it?

Source: [2016 Anchorage Talks Transit Final Report.pdf](#)

“Transit propensity” is an estimate of the likelihood that a given area will generate high transit ridership. The factors combined into this single measure relate to land use, demographics and development. They are:

- Residential and employment density.
- Levels of household income and of car ownership.
- Retail, service, and entertainment uses.
- Community, recreation, and educational uses.

How is transit advertised? Marketing includes push ads on social media, the website, ride guides at post offices, libraries, gas stations, etc. Valley Transit participates in trunk or treat, parades, fairs, rotary, community council meetings, and others.

Source: [20241030emBusch\(Valley Transit\).pdf](#)



Mat-Su Borough Transit Continuity

Is Valley Transit adequate? There is a need for additional demand response services, but Valley Transit does not currently have the resources to do so. In addition, the majority of the demand response buses need replacement.

Sources: [2023 DOT&PF MSB Transit Continuity Plan.pdf](#) and [2024 Valley Transit program information.pdf](#)

Story: Commuter buses used to come to Big Lake and they don't any more. The smaller buses serve Big Lake and Point MacKenzie, but there is need for the commuter buses to Anchorage.

Source: [20241104 Transit interview results.pdf](#)

Story: "I have previously enjoyed using public transit, bicycles & walking while temporarily living out-of-state. Unfortunately, I have not found the public transit, bicycling & walking in the Mat-Su to be practical or safe. I cannot figure out how to live in the Mat-Su without driving a car every day. Unfortunately, this is becoming increasingly stressful, hazardous, and expensive. I am seriously considering moving away to a place that is not as car dependent."

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

Options

Are there alternative methods of funding? There do not appear to be other options of funding sources.

Alternative methods investigated:

- Cost sharing with cities. Rejected because residents already pay into the tax base.
- Cost sharing with Anchorage. Rejected because transit helps Valley residents access opportunities and bring back resources.
- Mat-Su Health Foundation. Rejected because they already continued their match an additional year to support the funding transition and continuity of transit. They have not expressed interest in continuing the match.

What options are available?

\$1.5 million → maintain current level of service.

Fund less → lower level of service, domino effect, possibly no service.

Fund more → higher level of service, domino effect increasing benefits.

Have you done an assessment to see what people want? The Mat-Su Borough Planning Department did a ridership survey and asked about the impacts of transit on people's lives. Overall people who ride the bus appreciate and depend on it for a variety of reasons. People who don't ride the bus see the level of service as too limited or not worth it.

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)



Mat-Su Borough Transit Continuity

Story: “I also see a need for local bus services throughout the core area & between Palmer -Wasilla. If we had public transportation that had set routes/times - I believe more people would utilize the service to get to school, medical appointments & routine daily needs (groceries, etc.).”

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

Story: “Waste of taxpayer money.”

Source: [20241105 Mat-Su Borough Public Transit Ridership Survey_results.pdf](#)

What are the impacts to level of service with an increase or decrease of \$500,000?

Increasing the amount spent could update the demand response fleet and/or increase the ridership or coverage depending on how it was allocated. Decreasing the amount of funding would likely result in cuts to demand response service, according to Valley Transit. Both increasing and decreasing funding amounts have a domino effect on level of service.

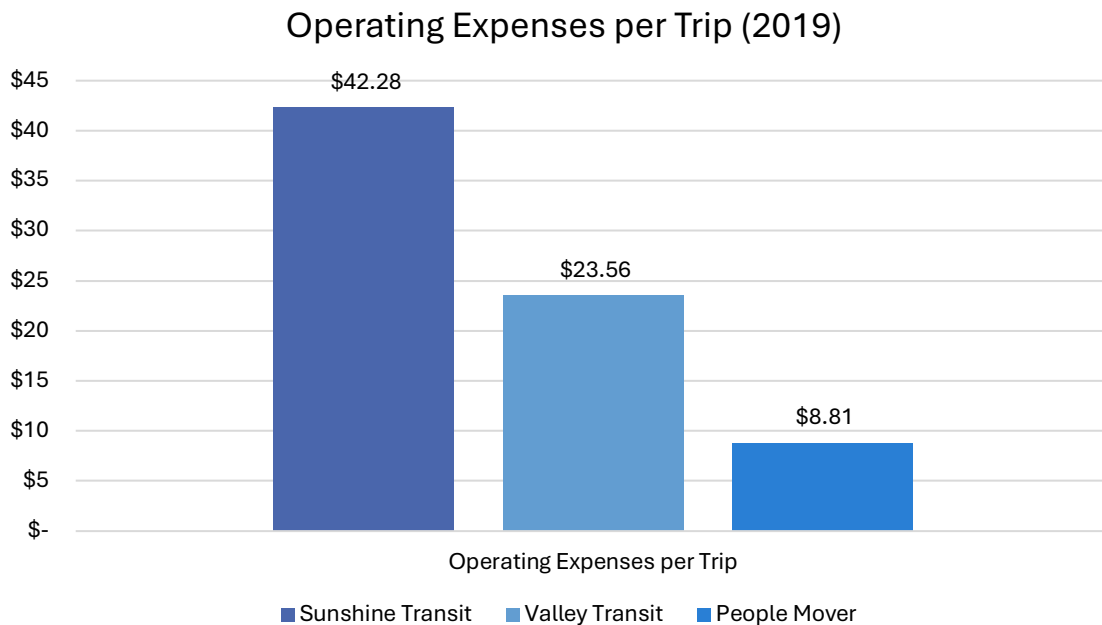
Source: [2024 Valley Transit program information.pdf](#)

In 2019, the Valley Transit operating budget was \$1,437,136 and provided 61,001 trips, equivalent to \$23.56 in operating expenses per trip. \$500,000 represented 21,222 trips.

Sources: [2019 Annual Agency Profiles](#)

Operating expenditures per trip provide an indicator of financial productivity, capturing how much it costs to serve a given number of trips.

For local comparison:



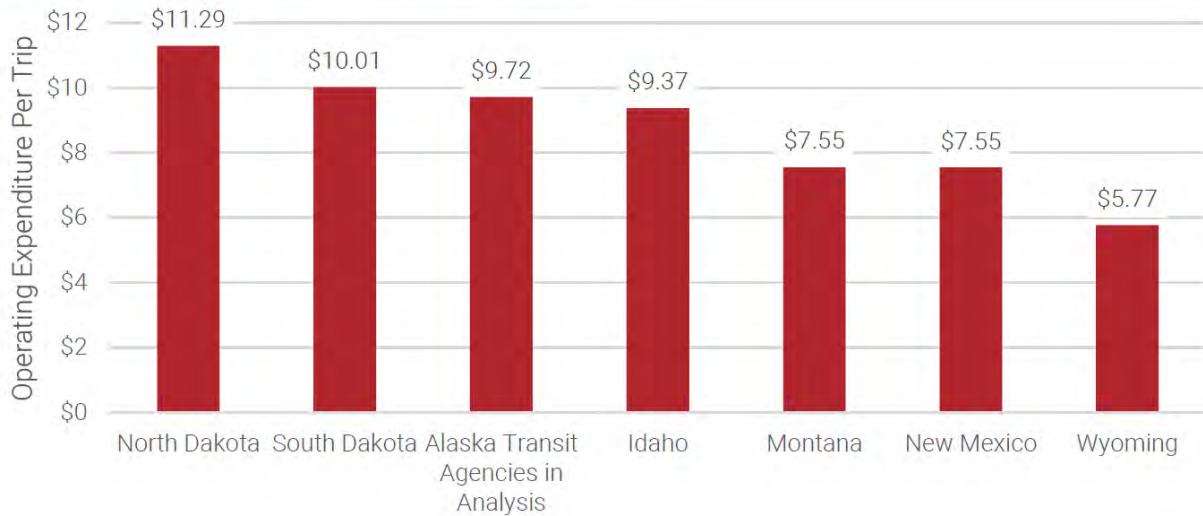
Sources: [2019 Annual Agency Profiles](#)



Mat-Su Borough Transit Continuity

For national comparison:

Figure 11. Operating Expenditures per Trip, 2019

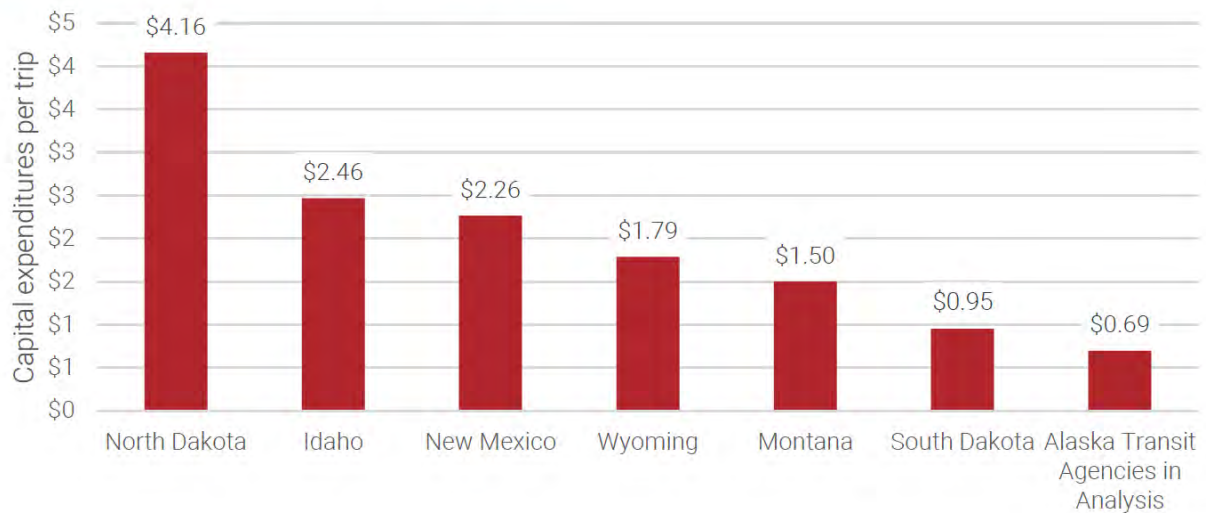


Source: National Transit Database 2019. Excludes rail service.

Source: [2022 Economic Value of Public Transit in Alaska.pdf](#)

Alaska transit may be underinvested in capital projects and transit agencies could struggle to keep up with demands to maintain their systems and fleets in a state of good repair.

Figure 12. Capital Expenditures per Trip, 2019



Source: National Transit Database 2019. Excludes rail service.

Source: [2022 Economic Value of Public Transit in Alaska.pdf](#)



Mat-Su Borough Transit Continuity

What about operating more smaller vehicles more often? In the case of Valley Transit, the smaller busses have exceeded their service life and are often at capacity. They would need to be replaced before considering increasing frequency.

Source: [2024 Valley Transit program information.pdf](#)

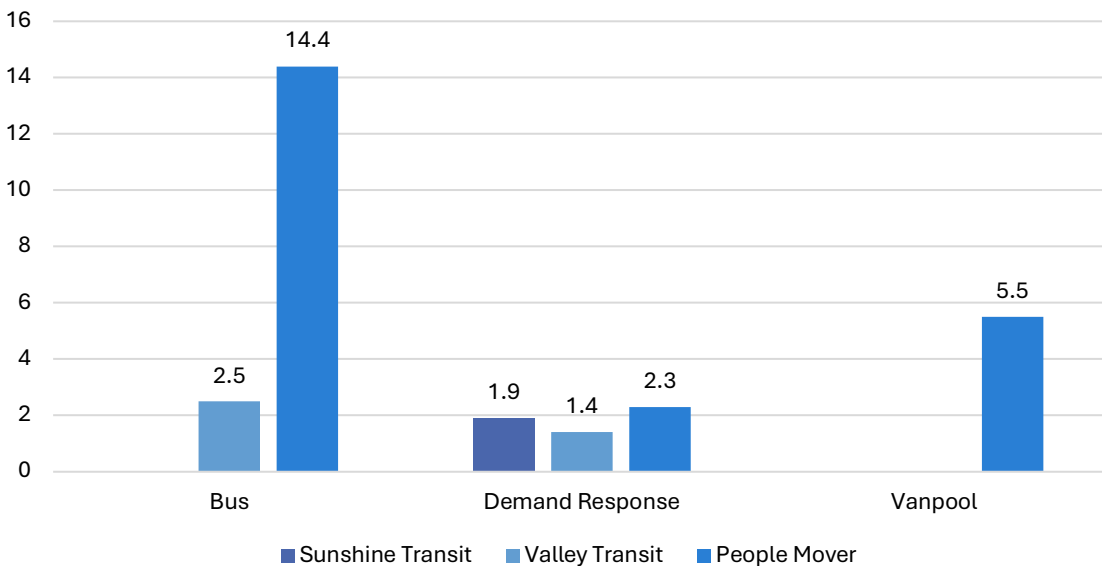
Are there other options for transit in low urban population areas? Most places use bus systems like us. Other transportation options are Uber, Lyft, and taxis. Riding Valley Transit instead of other services saved Borough residents an estimated \$1.5 million/year (2019).

Source: [2022 Economic Value of Public Transit in Alaska.pdf](#)

What is the estimated ridership per dollar for more frequent service? “Productivity is measured as boardings per service hour. Productivity is strictly a measure of achievement towards a ridership goal. Services that are designed for coverage goals will likely have low productivity. This does not mean that these services are failing or that the transit agency should cut them. It just means that their funding is not being spent to maximize ridership. More frequent services tend to have higher productivity (ridership per service hour), even though providing high frequency requires spending more service hours. This happens because frequent service is the most useful and convenient service for riders; thus, transit agencies typically target this most expensive service towards their strongest markets.”

Source: [2016 Anchorage Talks Transit Final Report.pdf](#)

Rides per Revenue Hour



Sources: [2023 Annual Agency Profiles](#)