



## POLICY BOARD

**Meeting Minutes - July 19, 2017**

**Council Chambers, City Hall, 800 Cushman Street, Fairbanks, AK**

### 1. Call to Order

Mayor Karl Kassel, Vice Chair sitting in for Mayor Ward, called the meeting to order at 12:00 p.m.

### 2. Introduction of Members and Attendees

#### Attendee

\*Bill Butler for Bryce Ward, Chair  
 \*Karl Kassel, Vice Chair  
 \*Jim Matherly  
 \*Ryan Anderson  
 \*Van Lawrence  
 \*Jerry Cleworth  
 \*Denise Koch (via telephone)  
 \*\*Donna Gardino  
 \*\*Alicia Stevens  
 \*\*Deborah Todd  
 \*\*Margaret Carpenter  
 \*\*Don Galligan  
 +Steven Hoke  
 +Judy Chapman  
 +Brian Lindamood  
 Guy Sattley  
 Rex Nutter  
 Jewelz Barker  
 Kellen Spillman  
 Andrew Ackerman

#### Representative Organization

Mayor, City of North Pole  
 Mayor, Fairbanks North Star Borough  
 Mayor, City of Fairbanks  
 Director, DOT&PF, Northern Region  
 FNSB Assembly  
 City Council, City of Fairbanks  
 DEC, Division of Air Quality  
 FMATS MPO Coordinator  
 FMATS Transportation Planner  
 FMATS Administrative Assistant  
 DOT&PF Planning  
 FNSB Planning  
 DEC  
 DOT&PF Planning  
 Alaska Railroad  
 FNSB Assembly  
 Catalyst AK Consultant  
 Catalyst AK Consultant  
 FNSB Planning  
 City of Fairbanks

*\*FMATS Policy Board Members, \*\*FMATS Staff Members, +FMATS Technical Committee Members*

### 3. Approval of the July 19, 2017 Agenda

**Motion:** To approve the July 19, 2017 Agenda. (Lawrence/Matherly).

**Discussion:** No further discussion.

**Vote on Motion:** None opposed. Approved.

### 4. Approval of the June 21, 2017 Meeting Minutes

**Motion:** To approve the June 21, 2017 meeting minutes. (Lawrence/Matherly).

**Discussion:** No further discussion.

**Vote on Motion:** None opposed. Approved.

### 5. Committee/Working Group Reports (including the Chair's Report)

#### a. Staff Report and Technical Committee Action Items

Ms. Gardino provided highlights for all meetings, briefings, conferences, teleconferences, seminars, open houses, workshops, presentations, forums, and field trips she or FMATS staff had attended or participated in since the last meeting.

**b. Road/Rail Crossing Reduction Plan Working Group Update**

Ms. Gardino stated that the work group had not met again and she was still waiting for DOT&PF to provide comments.

**6. Public Comment Period (Items not on the Agenda)**

No public comment.

**7. Old Business**

**a. 2017-2020 TIP Administrative Modification #1 Revision (Action Item)**

Ms. Gardino explained that on Page 19 of the meeting packet shown in red was the revision that was made to the TIP removing the TAP funding line item.

**Public Comment:** No public comment.

**Motion:** To approve the FMATS Transportation Improvement Program Administration Modification #1 Revision, as presented. (Lawrence/Cleworth).

**Discussion:** No further discussion.

**Vote on Motion:** None opposed. Approved.

**b. FMATS Bicycle and Pedestrian Advisory Committee Recommendation (Action Item)**

Ms. Gardino stated that this item had been on the Policy Board agenda last month and was postponed. Ms. Gardino stated that it was taken back to the Technical Committee for further discussion of the geographic representation but, as a group, everyone felt that it was sometimes difficult to fill geographic representation on other boards and committees. Ms. Gardino stated that they could probably take care of it on their own. Ms. Gardino stated that the other change was that the Policy Board had the discretion to appoint members as they deemed fit.

**Public Comment:** No public comment.

**Motion:** To approve the FMATS Bicycle and Pedestrian Advisory Committee Roles and Responsibilities. (Lawrence/Matherly).

**Discussion:** Mr. Cleworth stated that he had concerns about the representation and makeup of the Board. Mr. Cleworth stated that he thought there was a simpler way and offered an amendment for discussion.

**Amendment to the Motion:** To modify the Representatives section as follows: Committee members selected must have an interest in non-motorized transportation. Nominations shall be made as follows: State of Alaska (2), Fairbanks North Star Borough (2), City of Fairbanks (2), City of North Pole (1), FMATS Executive Director (2). (Cleworth/Anderson).

**Discussion:** Mayor Kassel asked Mr. Cleworth for clarification as to whether they were deleting the other interests for qualifications as far as Public Health or School District. Mayor Kassel stated that a School District Representative could also be a North Pole Representative, or if they were still trying to include that, or if he was deleting the existing goals.

Mr. Cleworth stated that he was trying to keep it simple and eliminate them but, technically, some of them would go away. Mr. Cleworth stated that FMATS had Parks and Rec trails and the Borough would be selecting several people and they could cover that base if they felt that was an important thing to do and was sure that they did. Mr. Cleworth stated that he was not really sure why the University was there but they could put in something like "an interest in trying to cover some of those other bases", but the FMATS Director could

also appoint two people to cover some of those as well. Mr. Cleworth stated that he thought people were going to present themselves and this way was awkward to him because it said that the Policy Board had the discretion to assign members as they deemed fit, but how did that process work, and all he was trying to do was give some type of form to that process because right now that process was silent.

Mr. Lawrence stated that he assumed that Mr. Cleworth meant that the three Mayors would be nominating to the Policy Board, or if they would be making the selection.

Mr. Cleworth stated that they would be making the selection. Mr. Cleworth explained that the Borough would have to come up with two names directly proportional to the Policy Board but he did not see them being voted on since they were not going to second guess the nominations of the Borough or the State of Alaska because it was a committee and he didn't see the point in having to do that.

Mr. Lawrence stated that given the subject matter of this Committee, he did not see that geography was all that important and it seemed like the group that had been proposed by the Advisory Committee made a lot of sense from his perspective. Mayor Kassel stated that the Bylaws for FMATS identified how they appointed for committees. Mr. Cleworth stated that he was not so concerned about geography and was more concerned about making it simple.

Ms. Gardino stated that her recollection was that the Chair of the Policy Board nominated the Committee members and it was ratified by the Board.

Mayor Kassel stated that he thought that was what they discussed at the last meeting as being the current process. Mayor Kassel stated that in his mind these were geographic designations and in the past had presented challenges when coming up with representatives for a specific position, particularly in the City of North Pole. Mayor Kassel stated that the Planning Commission had gone three and a half years unable to fill a seat for the City of North Pole. Mayor Kassel stated that political boundaries did not necessarily represent the actual boundaries in our community anymore and thought at one time they had. Mayor Kassel stated that there were areas synced with Fairbanks and the boundaries of Fairbanks were not necessarily limited to the political boundaries. Mayor Kassel stated that he hesitated to make those distinctions and it was particularly problematic in the City of North Pole and somewhat in the City of Fairbanks because there was a larger population base to draw from.

Mr. Cleworth stated that he had not meant it to be that way. Mr. Cleworth stated that North Pole could select anybody they wanted and the person could live in Ester, if they felt the person would work well with the body. Mr. Cleworth stated that they would just be selecting two people and not demanding that they be a City resident.

Mayor Kassel stated that he liked Mr. Cleworth's intent, but he thought they would want to clarify some of the language if that was the intent and might need to change it to "selected by the Mayor" or somehow differentiate it. Mr. Cleworth stated that he thought they could do that but that was not part of the motion and there was no intent of doing that and that was why they had

not done that. Mr. Cleworth stated that the only geographical concern would be within the cities themselves.

Mayor Kassel stated that he believed the way that Mr. Cleworth had phrased it was that it would be two members from the City of Fairbanks and legally that language had historically been interpreted as that appointment would reside in that area.

**Amendment to the Motion:** Add: Nominations do not have to reside within the geographic boundary of the nominating city. (Cleworth/Anderson).

**Discussion:** Mr. Lawrence stated that what they were talking about was who had the authority to appoint an FMATS committee and whether it should be the three mayors and the Executive Director or the Chair of the FMATS. Mr. Lawrence stated that it made more sense to him to have the people in this room select those members. Mr. Lawrence stated that he liked the categories as proposed by the Committee.

Mayor Kassel stated that if they passed this they would probably need a super majority because they were going against the Bylaws.

**Amendment to the Motion:** All nominations will be submitted to the Policy Board Chair for Policy Board approval. (Cleworth/Anderson)

**Vote on Amendment to the Motion:** Six in favor. One opposed. (Butler).  
Approved.

**Vote on Amendment to the Motion:** Six in favor. One opposed. (Butler).  
Approved.

**Amended Motion:** To approve the FMATS Bicycle and Pedestrian Advisory Committee Roles and Responsibilities with the following modifications: Committee members selected must have an interest in non-motorized transportation. Nominations shall be made as follows: State of Alaska (2), Fairbanks North Star Borough (2), City of Fairbanks, (2) City of North Pole (1), FMATS Executive Director (2). Nominations do not have to reside within the geographic boundary of the nominating city. All nominations will be submitted to the Policy Board Chair for Policy Board approval.

**Vote on Amended Motion:** Six in favor. One opposed. (Butler).

**c. 2045 Metropolitan Transportation Plan Draft Goals and Objectives**

Ms. Gardino stated that there were changes made by the Technical Committee that they wanted to bring forth to the Policy Board and it was not an action item, so nothing had to be decided today.

**Discussion:** Mr. Cleworth stated that he wanted to bring up the same two items he brought up last time and one was regarding reducing the frequency and severity of fatal crashes since he thought that some of those were alcohol and drug related, there was not much they could do to correct that unless they beefed up law enforcement and that was out of their jurisdiction, and thought it needed to be massaged a little bit. Mr. Cleworth stated that he thought it was unrealistic to pick a number and go with it when some of those things were out of their control. Mr. Cleworth stated that the other comment was about the achievement of no net loss of environmentally sensitive lands and improving the quality of impacted areas to better than impacted standards. Mr. Cleworth stated that he thought that needed clarification since all lands were environmentally sensitive. Mr. Cleworth stated that there must be a qualifier for

that and had a problem with the statement that they needed to be brought up to better than predeveloped standards and asked whether that meant better than Mother Nature.

**d. Draft Landscape Policy Update**

Ms. Gardino stated that FMATS had been working on a draft policy and comments were due back from the working group on July 28<sup>th</sup> and then they would bring it to the Technical Committee and then to the Policy Board.

**e. FMATS Transition Plan Recommendations (Action Item)**

Ms. Gardino introduced Ms. Barker of Catalyst Alaska to explain the FMATS Transition Plan recommendations.

Ms. Barker stated that the RFP had requested that their team bring recommendations to them as one of the deliverables. Ms. Barker stated that based on their direction, the team would then bring back steps on how to implement them. Ms. Barker stated that this was their research, findings, and meetings of what they believed that FMATS wanted to be when they transitioned. Ms. Barker stated that this was their opportunity to course correct before they brought them how to take those steps to be this version of themselves. Ms. Barker stated that she would defer to the Chair as to whether they wanted to move to accept and then edit in live time or whether they would like her to give a presentation and accept questions as they went.

Mayor Kassel stated that was a good question and thought that in the interest of time savings, Ms. Barker should provide a brief overview of the findings and then go through questions afterwards.

Ms. Barker stated that on Topic 1-Hosting Organizational Structure-It was discovered by their team that FMATS was acting as was considered a Leaning MPO, living in City Hall was a model of a Component MPO, and paying two other staff that worked somewhere else was an example of a Dual Purpose MPO. Ms. Barker stated that what they found was that FMATS was three MPOs in one and their discovery was that FMATS was looking for as much autonomy as they could afford. Ms. Barker stated that it was their team's recommendation that FMATS fully organize as a Leaning Independent MPO. Ms. Barker explained that some examples of what that would look like would be that the Executive Director reported only to the Policy Board which included Human Resources and all direction, having regular performance reviews of the Executive Director conducted by the Policy Board and potentially some partner agencies which was how a Leaning MPO worked. Ms. Barker stated that there was some feedback given at the meeting last week that the majority of the room would have liked to have gone to the fullest freestanding model, which was its own independent organization. Ms. Barker stated that they would recommend that if they chose to pursue independence, as what was considered a Freestanding MPO, they would first need to conduct a Strategic Plan which was recommended in the 2007 Organizational Study and still recommended by their team. Ms. Barker stated that they also encouraged them to acknowledge that the 2020 Mat-Su MPO could affect statewide funding and before they went independent they would want to know what those impacts were.

Ms. Barker stated that the recommendation for their housing location was that they continued in their leaning preference with all the staff housed in the same

place which would eliminate the dual purpose function or dysfunction that they might experience in their current condition. Ms. Barker stated that they would also then need to cost truth their accounting needs which meant determining what their in-kind was to date, what they actually needed, what services they could pay for, and what those would cost. Ms. Barker stated that they also needed to look at the space they occupied at City Hall and determine what kind of space they would need to determine if they wanted to go somewhere else and, if so, the type of space they would need to determine their housing location. Ms. Barker stated that their current recommendation was to stay at City Hall pending a Strategic Plan that would incorporate some of those components of really brightening up their Leaning MPO needs and wants from a financial perspective.

Ms. Barker stated that #3 was outside the RFP, but was a result of discovery was their identity and mission, vision, and values. Ms. Barker stated that FMATS had goals and objectives in their MTP, but as an organization they had a bigger identity than that. Ms. Barker stated that the three things that came up as priorities were: preserving and strengthening of their partnerships, the effectiveness of meeting their mission, and the efficiency of cost. Ms. Barker stated that their team had prepared a list of other mission vision values from their peer MPOs that was a separate handout and would be included in their report to Ms. Gardino.

Ms. Barker stated that the 4<sup>th</sup> component of the Transition Plan involved staffing the MPO. Ms. Barker explained that one of the largest issues they were struggling with was the health insurance benefits, which tied into a broader theme of the union membership of three of their current staff which was a much broader complication that could be discussed further. Ms. Barker stated that in order to meet the pressure point that was currently causing pain, which was the inequity of their staff paying quite a bit out of pocket to cover their union benefits because they were on the City payroll, which could simply be remedied by the Policy Board increasing their coverage cost to 80 percent which would be more in line with what the DOT and Borough employees were experiencing. Ms. Barker stated that they would not have to make any changes to the benefit plan to remedy that issue. Ms. Barker stated that the team recommendation was that they actually wait until negotiations concluded, which to her understanding was in a month or two, before they made any major decisions about changing plans because changing midstream would just complicate things. Ms. Barker stated that the payroll process recommendation was to stay on the City payroll pending the Strategic Plan and not exit the union until they knew what those negotiations were. Ms. Barker stated that one observation that was made was that there was a group of employees at City Hall that was not in the Union and one option could be to look at that class of employees so they were still on the City payroll in terms of the Leaning aspect of their MPO, but would be able to remedy the IBEW pressure points that they found.

Ms. Barker stated that regarding staffing, in terms of who was actually on the MPO payroll, when to use contract employees or consulting support, they encouraged the Policy Board to look at the total \$460,000 worth of organizational operating budget and encouraged them to formally adopt an HR

policy for personnel. Ms. Barker stated that could look like a combination or one of their partners either the City, the Borough, or other entity that the Policy Board had adopted and blessed as the FMATS Personnel Policy. Ms. Barker stated that they encouraged them to utilize the UPWP Planning task as they then became contracted through the Borough and DOT partnership.

Ms. Barker stated that the change there would be that the Borough and the DOT currently received set funds at a set dollar amount to supplement the dual roles positions of both of those and instead of an annual amount they look at each year and contract them more in a deliverable manner. Ms. Barker stated that allowed the FMATS Executive Director to feel like they were better able to manage that piece of what they were trying to produce in which case their Director had no formal control of the dual role employees. Ms. Barker stated that the final recommendation under staffing at the MPO was that they consider the peer organization titles and believed that if they were going to transition forward they look at and adopt those. Ms. Barker stated that she had created a list and they needed to figure out what kinds of employees they needed, who needed to be part and full time, and what needed to contract out or consulted.

Ms. Barker stated that #5 in the Transition Plan dealt with the Executive Director Succession and Recruitment. Ms. Barker stated that one of the recommendations that Ms. Gardino had described were the desk books that each of the employees housed at City Hall had that described their job. Ms. Barker stated that they encouraged someone to extract that from Ms. Gardino and create a desk book for the incoming Executive Director. Ms. Barker stated that the recruitment recommendation was to run a phased nationwide campaign one of which could be done RFP-style where the job description was sent out in such a manner that they were looking for narratives from people who could describe their skill sets in relation to the type of person they wanted. Ms. Barker stated that because of the diversity of Ms. Gardino's position, their team could not in good faith recommend that they hire three people to replace her, but that really was the level of skill set required to fill her position. Ms. Barker stated that looking towards the narrative as opposed to reading a hundred resumes and trying to figure out who looked best on paper they would be able to hear the voice of the applicant describing why they felt they were the best fit for the position.

**Public Comment:** No public comment.

**Motion:** To approve the Restructuring Recommendations for the FMATS Transition Plan recommendations, as presented. (Lawrence/Matherly).

**Discussion:** Mr. Cleworth asked Ms. Barker if he understood her correctly when she stated that after the meeting the other day people had wanted to go Independent and not Leaning Independent.

Ms. Barker stated that Mr. Cleworth was correct, but that was specifically in terms of their autonomy. Ms. Barker stated that she could provide those for Mr. Cleworth, but there were 8.5 votes for freestanding. Ms. Barker stated that at the last meeting, a list of words ranging from autonomy to identity to housing, human resources, and procurement were passed out and the participants were asked to score whether they were interested in being an "F"

for freestanding and provide comment, an “L” for the leaning independent, a “C” for component, a “D” for dual purpose and “A” for consolidating all that back down into an all-in-one entity. Ms. Barker stated that for each of the topics they could vote and they had received 8.5 people in favor of freestanding autonomy, 6.5 votes for leaning independent, and the rest of the attendees had not voted. Ms. Barker stated that their sense of self was definitely to the independent side.

Mr. Cleworth stated that he thought a bunch of things needed to be said here. Mr. Cleworth stated that a lot of this stemmed from the medical component and they brought that up here. Mr. Cleworth stated that he needed to explain to the Policy Board what was going on here. Mr. Cleworth stated that City had eight different unions and they did not have their own medical plan.

Mr. Cleworth stated that each union had their own plan and each plan could be as rich or as poor as they designed it to be with different deductibles and benefits. Mr. Cleworth stated that the plans ranged from a low of a \$1057 a month up to \$2100 a month. Mr. Cleworth stated many years ago the City was in a quandary as to how to handle that when they went to union negotiations. Mr. Cleworth stated that about 15 years ago, when there was a lot more parity between them, the City came up with a flat dollar amount of \$850 per month that they would give to each union for medical and however rich or poor the plan was, that was their concern and not ours. Mr. Cleworth stated that had seemed to work well for a while. Mr. Cleworth stated that the problem was that the IBEW plans had increased about \$100 a month for the past five or six years which was rapid. Mr. Cleworth stated that at a \$100 dollars per month, that was \$1200 per year per employee. Mr. Cleworth stated that to give them an idea of how much that was, they had 200 employees in the City, and if they were to say that they would cover the medical increase each year and nothing else, at \$1200 per employee, it was over \$200,000 a year. Mr. Cleworth stated that the City had a tax cap that was limited by the Consumer Price Index and new construction, just like the Borough, and the CPI last year was only .9. Mr. Cleworth stated that the way they were allowed to grow under that tax cap and the way the medical plans were growing was very different at this point and really problematic for two unions, so they had a problem. Mr. Cleworth stated that FMATS was now a part of that bargaining unit and were IBEW employees. Mr. Cleworth stated that as a City Council member, there were certain things that he could and could not do when it came to labor relations. Mr. Cleworth stated that they had a whole code that was based on that. Mr. Cleworth stated that there were certain things that he could say and not say and a lot of it was done in Executive Session. Mr. Cleworth stated that what happened was that they got into a situation where, right now, on the one half they were dealing with union employees, but here sitting on this body, they were essentially the boss of the same person they were sitting across the table from in union negotiations. Mr. Cleworth stated that this was an extremely awkward situation for the City of Fairbanks. Mr. Cleworth stated that the current situation really brought that forward and there had been a lot of controversy over who the shop steward was going to be. Mr. Cleworth stated that he knew that Ms. Gardino had strong opinions on that since she had testified at their meetings a couple of times and given them written testimony. Mr. Cleworth stated that with his one hat, he was going to be on the opposite side of the table from Ms. Gardino, which was awkward since he could not

discuss some things but over here, he guessed they were technically Ms. Gardino's boss. Mr. Cleworth stated that this was a situation where he thought that when they looked at the future, they really needed to go to the independent model. Mr. Cleworth stated he thought that that Mr. Butler had talked about it at the meeting also, and thought it was imperative because it put at least two members of this Board in a very awkward situation.

Mr. Cleworth stated that they were not allowed as Council members to comment on personal issues because it violated Code. Mr. Cleworth stated that if they got into adversarial union problems like that, where it was employee against employee, he could not comment on those either which made it difficult. Mr. Cleworth stated that this was a Class II Union under PERA and they could strike. Mr. Cleworth stated that how that would work with FMATS, he did not have a clue. Mr. Cleworth stated that if negotiations went south and they had a strike situation, he did not know what FMATS would do. Mr. Cleworth stated that his guess was that they would cross the line, but he did not know. Mr. Cleworth stated that these were all things that were potential problems.

Ms. Barker stated that in relation to discovery of their union relationship, and the fact that they had up until now functioned as Ms. Gardino's governing body or as her boss as he put it, they had changed her title in both Bylaws and in writing and she did not believe they received Union approval for that, so the Executive Director was actually no longer covered by the IBEW. Ms. Barker stated that the other situation they were in was that the Policy Board could decide tomorrow to outsource payroll to an accounting firm here in town or hire an accountant as part of their staff to cut their own payroll, in which case there was nothing in how they were created or anything she found in terms of the MOU, that stated that FMATS had to be an IBEW employee. Ms. Barker stated that if they were truly an independent organization made of up these four logos and Technical and Policy, right now they needed to ask themselves if they were ready to cowboy it because the union would tell them that they needed to go through the two week in-house hiring process and take these steps and those steps if they use the City to procure their next Executive Director or they could stand up and say they were going to hire the next Executive Director. Ms. Barker stated that there were implications that she appreciated him bringing up, and was too much to write down for a presentation, but her team was prepared if they said yes to all those things to lay those steps out in front of them to decide if they were going to hire another Executive Director.

Mr. Cleworth stated that they changed the title, but Ms. Gardino was still covered under the IBEW Collective Bargaining Agreement.

Ms. Barker stated that all she was telling them was that she did not believe that the IBEW had an Executive Director in their Collective Bargaining Agreement. Ms. Barker stated that all she was saying was that this Policy Board had already pushed the envelope and this was that moment in time where those things were going to start catching up with the awkwardness that they were.

Mayor Kassel stated that "awkwardness" was a good word here because he had been struggling as he researched through this as to just what sort of beast Ms. Gardino was. Ms. Barker stated that "bulldog" was brought up.

Mayor Kassel stated that “bulldog”, possibly IBEW bulldog. Mayor Kassel stated that then again, they had negotiated her salary which they could not do because it was totally outside of a Union contract, and they had negotiated her salary. Mayor Kassel stated that they had not treated her as an IBEW Union-represented person effectively, other than that was where she received some benefits from and paid dues to. Mayor Kassel stated that they had this hybrid position that legally was this huge question mark of “what the heck is this and where did it go and report?”, so there was just a multitude of questions and that was why it was important that they got a bunch of it resolved here. Mayor Kassel stated that compensation was more than just health care and he agreed that the IBEW health care here for their folks was terrible compared to other health plans, but that was only one component of a compensation package. Mayor Kassel asked Ms. Barker if they were out of line when rolling together all of the other benefits in terms of total compensation for employees.

Ms. Barker stated that Salaries and Benefits was a line item on their RFP. Ms. Barker stated that they had looked at the peer MPO salaries and benefits package. Ms. Barkers stated that there was a range, and part of it was going to be a determination of what type of skill set they were looking for. Ms. Barker stated that they had not prepared, for today, their recommendations for salaries and benefits until they knew what they were advertising, so they knew what to recommend paying them.

Mayor Kassel stated that he understood what Ms. Barker was saying but they had a recommendation here to increase the health coverage to 80 percent and that was only part of the whole package, which was his point, so he did not know if that was valid or not depending on what the other portions of the compensation package were.

Ms. Barker agreed and stated that she guessed that was a short term recommendation in that his staff was in pain right now because of the City’s \$850 cap and their counterparts in the dual agencies were receiving much better medical plan coverage. Ms. Barker stated that because Ms. Gardino was leaving, she would not encourage them to waste, spend, invest the amount of time into whether or not this was right or fair and to just say that for the next three or four months just cover the difference. Ms. Barker stated that it was only a couple thousand dollars and would give them a true cost look of what the benefits package was costing. Ms. Barker stated that right now it was hard for them to compare apples when there were meats and cheeses in this fruit basket of how they wanted to move forward and who would ultimately be their employee payroll. Ms. Barker stated that Ms. Gardino had brought this to the Policy Board and City leadership before in dealing with the pain of the current staff covering \$1200 out-of-pocket a month. Ms. Barker stated that they could certainly spend more time on that. Ms. Barker stated that it was not their recommendation for the next Executive Director, because this was just one tiny piece of a whole bunch of things they needed to figure out in terms of sub-direction.

Mr. Cleworth stated that he wanted to make a minor clarification, but it was important. Mr. Cleworth stated that with IBEW in the past, when they got a package increase, the Union had the discretion to distribute that package any way they wanted. Mr. Cleworth stated that they could put it all into healthcare

or they could put it all in salaries. Mr. Cleworth stated that over the last eight years, they had chosen not to put anything into health care and they put it all into salaries. Mr. Cleworth stated that a portion of that, and \$850 was a misleading number because it was higher than that. Mr. Cleworth stated that there was still a discrepancy and there was still a problem, but it was not based on \$850 anymore, because the Union had selected not to put any money into that. Ms. Barker stated that she was fully aware in terms of labor relations. Ms. Barker stated that outside of their complicated dynamic with the Union, and with their leaning use of payroll services, they had a different problem that she was bringing to them. Ms. Barker stated that was that they had an Executive Director who was paying \$1,200 out-of-pocket. Ms. Barker stated that maybe the next Executive Director would be hired in at \$80,000 a year with full coverage and she did not know what they were going to do next and they would get there in that step. Ms. Barker stated that she was telling them not to do it and tell Ms. Gardino to suck it up for three or four more months and that was just the way it was. Ms. Barker stated that was one of the major points that had been brought up through this Transition Plan as a reason they created the RFP in the first place. Ms. Barker stated that all she was saying was that they had the ability, as the governing board.

Mayor Kassel stated that he understood that they had the ability, but he was currently feeling totally and completely unequipped to be able make a decision on this, in that, he understood that the Borough health care was way better than what Ms. Gardino was currently receiving. Mayor Kassel stated that if you just looked at that, you would want to say that they totally agreed that they should boost that 80 percent. Mayor Kassel stated that without knowing what Ms. Gardino's salary was or what the rest of her benefit package was, but would be willing to bet money that the Borough salaries were lower because they had invested more into health care and were self-insured and it was apples and oranges. Mayor Kassel stated that as Mr. Cleworth pointed out, the Unions decided how they were allocating certain amounts of money and what was benefitted. Mayor Kassel stated that he could not make the decision on a piece of the much bigger pie of the current compensation without having that information. Mayor Kassel stated that he had no idea what Ms. Gardino was making, but if she got a \$1,200 raise to cover the \$1,200 of health care, then that was really not a problem and they were double dipping if they increased the health care also. Mayor Kassel stated that he just did not have the information and was not saying that was the case, but that was the reason he was asking Ms. Barker if she had the numbers for total compensation review compared with other similar local entities like the Borough employees to compare that total package. Mayor Kassel stated that the Borough had a commission that reviewed the compensation package for every position in the Borough every two years to keep it in line. Mayor Kassel stated that sometimes the health care went up and sometimes salaries went up.

Ms. Barker stated that she would be happy to get them that information.

Mr. Lawrence stated that his understanding was from the Agenda that they were supposed to act on this Transition Plan which included the 80 percent contribution for health care or health cost. Mr. Lawrence stated that as Mayor Kassel pointed out, most of them did not really know what the total

benefit compensation package was for the current Executive Director and Ms. Barker was basically saying that she would have to get them that information.

Ms. Barker stated that where she would like to focus her energy on in Salaries and Benefits was what they were going to pay the next Director. Ms. Barker stated that she was happy if they would like to strike through 4.a.1. as something that whatever they did today, they were not doing that, was fine. Ms. Barker stated that she would get them that information and this would no longer be important because this was just to alleviate the pain of their current Executive Director.

Mr. Butler stated that maybe it was just a phrasing issue because on 4.a.i, which was for the term of Ms. Gardino and the way it read now, one could interpret that as something that went into the future.

Ms. Barker agreed and stated that her clarification on that was that they should not do any benefit changes until after the Union negotiations.

Mr. Butler stated that it would make sense to cross that out.

Ms. Barker stated that it was not their recommendation for them to have the Borough start covering payroll so that the Borough benefits were felt by the MPO employees, and it was not their recommendation for them to go out and find their own benefits right now, because they did not know what the solution to the Union negotiation was. Ms. Barker stated that until that piece came, they could not recommend the best direction for them. Ms. Barker stated that was why they recommended, at this point, that if they wanted to make any decisions about their health insurance, which was a major point of their RFP, the option would be for the Policy Board to alleviate the difference in the benefits package. Ms. Barker stated that if they did not want to do that today, they could strike through it and the recommendation would still be not to switch benefits packages until they knew Union negotiation results were.

Mayor Kassel asked Ms. Barker if since Ms. Gardino was not the only person in this predicament and they had Ms. Stevens and Ms. Todd also, if she was saying that the recommendation here was just for Ms. Gardino and not for the other two folks who were in the exact same position.

Ms. Barker stated that, in terms of equity, her recommendation would be for all of them. Ms. Barker stated that she felt like they were having a really in the weeds conversation and focusing on this because it was a dollar amount and this was not their biggest problem or biggest decision that needed attention today. Ms. Barker stated that if anybody had consternation about this they could just cross it off and move on to some of the bigger issues that would give them the ability to provide them with the steps they needed to transition.

Mr. Cleworth stated that Ms. Barker gave them the vote the other day and he thought that they really needed to head towards an independent organization. Mr. Cleworth stated that Ms. Barker had cautioned them that it would take a lot of work and they had to do a Strategic Plan or whatever, but he thought that sooner or later the Board had to make that decision that they needed to go in that direction. Mr. Cleworth stated that having it be under the umbrella of whatever political entity they came up with was going to be awkward. Mr. Cleworth stated that it did not matter where they were housed, and it had

been great having FMATS here at the City. Mr. Cleworth stated that having it be independent, no longer union, and being a non-profit organization was the way he strongly thought it should go. Mr. Cleworth stated that Mr. Sattley could probably provide public testimony later on, but he thought that had been what was envisioned at the outset of the darn thing, and then somehow it got sidetracked.

Mr. Anderson stated that Mr. Cleworth's comments were well taken. Mr. Anderson stated that fully organized as a Leaning Independent, for him, there were different ways to look at that. Mr. Anderson stated that from the DOT perspective, there were a lot of services they provided to the MPO because they were set up to do certain things for projects and whatnot. Mr. Anderson stated that he thought it would be good to separate the discussion. Mr. Anderson stated that from the DOT perspective, sometimes when they heard independent and FMATS making their own decisions on projects and schedules and things like that, there was a line there to where they would be asking for services as an independent, and then DOT and other agencies or whoever would provide those services. Mr. Anderson stated that it depended on what independent meant to them. Mr. Anderson stated that he thought the non-profit and how they organized was one thing, receipt of Federal authority or money, independence there could mean another thing. Mr. Anderson stated that the ability to do that, the way Title 23 and the laws and regulations were written would have to be closely looked at so there was no confusion. Mr. Anderson stated that he could get very confused right now when he read, "fully organized as a Leaning Independent", because to him that meant that the recommendation was to continue doing what they were doing and not make a lot of changes, but maybe there was an intent behind this that meant more and he did not understand.

Ms. Barker stated that where they were going with this recommendation was that they had chosen sort of the best of all worlds, of all the different versions of what the MPO they could be, they had cherry picked. Ms. Barker stated that now they were coming to grips with the reality that while Ms. Gardino had been there from the beginning and was able to guide this process and keep the wheels on the bus, if they were not acting more leaning then they were right now, which was housed at the City which at this point they were saying to stay where they were until they figured out what they wanted to be and what it would really cost to be on their own; and their dual purpose employees, where the Executive Director essentially shelled out \$160,000 dollars, give or take, to other organizations to pay for half of the employees that they fundamentally had no say over. Ms. Barker stated that a lot of what she went through in this process was looking at the organization, as it was, and asking herself if they hired her as their Executive Director where she would have trouble navigating, what would be a stumbling block for her, and what would be confusing. Ms. Barker stated that they were looking at the best practices and looking at the peer MPOs. Ms. Barker stated that they were not saying that they should be like Cheyenne Wyoming's MPO. Ms. Barker stated that they could still stay uniquely themselves, but this continued pull to be more and more independent, as maybe it was originally designed to be, was in conflict with all of these other behaviors they were doing which was making them really reliant

on others, and the person that was going to hit that wall was their next Executive Director, if that made sense.

Mr. Anderson stated that one comment he would make was that he knew there was a certain amount of allocation that DOT currently got to support the MPO. Mr. Anderson stated that he could tell them for a fact that they spent a lot more than that supporting the MPO. Mr. Anderson stated that the more independent they got, the more it was going to cost and was there money for that.

Mr. Anderson stated that was the big question right now and where that funding would come from. Mr. Anderson stated that was the one he kept hearing about and there was a lot of work that went into the MPO and it was not necessarily all brought out in the budget documents. Mr. Anderson stated that there was a lot more that went on behind the scenes. Mr. Anderson stated that he thought the MPO benefitted financially from the other agency participation because they were doing a lot of things that they normally did because it was their mission and goal, but they were not charging anybody for it. Mr. Anderson stated that from the DOT perspective, he would be upfront and say that the idea of an independent MPO was okay with them.

Mr. Anderson stated that they would have a reimbursable services agreement of some type to provide services and the MPO would pay for them.

Mr. Anderson stated that was kind of the model DOT was going with on a lot of things right now. Mr. Anderson stated that he wanted to put out there that DOT was not against the idea of FMATS having this independent role, but they would have to be really cautious with Title 23 and the regulations to make sure everything worked out that way.

Ms. Barker stated that she would just say that the whole of idea behind a Strategic Plan did truth the cost and identify the in-kind. Ms. Barker stated that if she brought a hundred pencils to Ms. Gardino and said she had provided in-kind to the MPO and wasn't she lucky that she brought Ms. Gardino pencils, but they used pens, what good was it. Ms. Barker stated that she thought that when they heard about the Borough and the DOT were the two main points providing a lot of services, in-kind, and a lot of extras above and beyond the check that got cut back to them; there needed, at some point, be the question, in order to be FMATS what all did they really need and if FMATS was by themselves what would they pay for the things the Borough and DOT did.

Ms. Barker stated that was a question that the Executive Director really could not direct in terms of the two, dual role employees. Ms. Barker explained that "dual roles" was an MPO term that meant sometimes the employee did the work of the partner, for example Mr. Galligan. Ms. Barker explained that sometimes Mr. Galligan did Community Planning, and sometimes he did FMATS Transportation Planning. Ms. Barker stated that there were entire MPOs that functioned in that way. Ms. Barker stated that what she meant was that if they wanted to go dual role and maybe the City of Fairbanks would take on a Planning Department and the next Executive Director would be a City Planner half the time and an MPO Director half the time, that was essentially what they were doing with those two employees. Ms. Barker stated that seemed to be a point of agreement and consensus last week, from both Ms. Schacher's perspective and a number of the others in the room, this idea of really identifying what was worth paying for by looking at what FMATS would actually cut them a check for, versus what they would be doing anyway.

Ms. Barker stated that the Borough's example was GIS. Ms. Barker stated that the Borough would be doing GIS anyway, so would the MPO cut them a check for the time that they were normally billing the \$85,000 for GIS services.

Ms. Barker stated that how they were functioning and how her team could help them take steps to get to a different version of themselves was where they were today. Ms. Barker stated that it was uncomfortable because, no matter what, it was going to be change, or they took the easy path and chose to stay exactly the way they were right now and prayed that the next Executive Director could navigate it.

Mayor Kassel stated that along the lines of what Mr. Anderson said, he did not think there was a clear understanding of the contributions put in, both from DOT, the in-kind things that they did, and the services they provided.

Mayor Kassel stated that the Borough got \$86,000 and change and they also matched that with ten percent in cash not labor, which could be counted as a deduction of that to a certain degree, but the level of service that was provided far, far exceeded that. Mayor Kassel stated that he did not know any way possible to acquire those services cheaper than what the Borough provided.

Mayor Kassel stated that the only way FMATS could save money was to eliminate the use of some of those services. Mayor Kassel explained that was problematic from two perspectives and FMATS did not make the decision on some of them. Mayor Kassel stated that the Borough provided an extensive amount of data information to subcontractors working for DOT that were putting together packages. Mayor Kassel stated that Kittelson could tell them how much money the Fairbanks North Star Borough saved them because they chose not to charge them for data dumps that would cost them more than they paid the Borough to acquire. Mayor Kassel stated that for the contracts with DOT for some of the planning documentation, the dollars added up very quickly for all those things. Mayor Kassel stated that Ms. Barker alluded that FMATS might not need all those services, but they did need quite a few of them. Mayor Kassel stated that some of the other ones were state law that the Borough had to accomplish things for some of the plans. Mayor Kassel stated that they were going to get work with some of the planning documents and processes that had to be accomplished, and, if ignored, could create huge bottlenecks. Mayor Kassel stated that if they worked together, it was cheap and easy on all of them but if they said they were not going to pay for anything, it could get problematic in a hurry. Ms. Barker stated that she agreed with Mayor Kassel.

Mayor Kassel stated that he was not sure if there was a huge cost savings or efficiencies gained. Mayor Kassel stated that the Borough certainly could not eliminate their Transportation Planner's position if half of that person's work went away. Mayor Kassel stated that they were mandated to accomplish certain tasks and the Borough needed that position. Mayor Kassel stated that the Borough would not save any money and the overall net cost to projects in this community would go up.

Ms. Barker stated that all of that was found in discovery. Ms. Barker stated that there was an extensive process that the FMATS staff went through three years ago that included who did what, in-kind, how much, they ranked and prioritized them, said what was great, and what they could live without. Ms. Barker stated

that if they wanted to keep that, they should just vote as a board to keep the dual purpose employees and not take that recommendation. Ms. Barker stated that her job was to come to them and say that they were trying to replace Ms. Gardino which meant they ultimately needed to do an Executive Director search. Ms. Barker stated that when that next Executive Director came in they were going to have the exact same problems the current Executive Director had working with or managing two employees that were not under the MPO's direct authority. Ms. Barker stated that one of the ways to fix that was for all of the employees that were paid with the MPO planning dollars to stay housed in the FMATS chain of command: Policy Board to Executive Director to Employees. Ms. Barker stated that if they chose not to take that recommendation and wanted to stay dual role in their employee function, it did not hurt her feelings, but it would be a struggle and continue to be difficult to manage. Mr. Anderson asked Ms. Barker if they could say for certain that it was financially feasible to do that at this point with the dwindling budget.

Ms. Barker stated that one way they would look at it was if they had not been in the habit of cutting checks to the Borough and the DOT. Ms. Barker stated that she was unable to find an example of another MPO that ever cut a check directly to the Department of Transportation, though she was able to find a number of examples where the MPO helped compensate other roles in partnering agencies. Ms. Barker stated that it was usually the component MPO host. Ms. Barker stated that the City of Fairbanks would normally be getting 23 percent overhead and indirect from the MPO if they were functioning like many of their peers that had component relationships. Ms. Barker stated that her point was that the Borough and the DOT, in partnership, would continue to provide services that they had to provide anyway because they existed and were the things that they usually considered in-kind and they would bill out. Ms. Barker stated that a current example was that the MPO was tasked with a Freight Mobility Plan and there was a Transportation Planner at the Borough who could help the MPO with that. Ms. Barker stated that FMATS and the Transportation Planner would get into a sub-agreement just like they would with any other support system. Ms. Barker stated that she did not ever want to get into what they went through before about who did what, for how much, and whether it was good enough, because that just created consternation and why they would do that within their own organization, broke her heart. Ms. Barker stated that they were partners, so they needed to decide what they wanted to do. Ms. Barker stated that right now there were clear conflicts of interest in terms of the Policy Board all wanting what they wanted. Ms. Barker commented that it just occurred to Mayor Matherly to start arguing for 23 percent of the \$460,000 so the City of Fairbanks could start getting paid. Ms. Barker stated that there was always going to be the pull of mine, mine, mine. Ms. Barker stated that her job was to come to them as the FMATS Policy Board, not as Mayors, Regional Directors, Councilmen, or Assemblymen and provide them with the things that had been discovered in the past three months that caused trouble because of the way FMATS was organized. Ms. Barker stated that it was not personal, it was just their organizational structure. Ms. Barker stated that the current FMATS organizational structure was a blend of three models of MPO structure that had only worked because Ms. Gardino was in that position. Ms. Barker stated

that in her professional opinion that would not work for the next MPO Director that came in and expected this to make sense.

Mayor Kassel stated that this was a challenge and there was no doubt. Mayor Kassel stated that it was frustrating because the structure of their government was a challenge, with the two cities and the Borough that created unique situations. Mayor Kassel stated that this was just one that he many times had the pleasure of dealing with. Mayor Kassel stated that he did not know what the answer was because they did need to work together and it was hard to legislate the working together part. Mayor Kassel stated that he talked about playing well in the sandbox frequently with his staff. Mayor Kassel stated that it was challenging because some of Ms. Barker's assumptions were based on their agencies continuing to supply and produce the information that they did. Mayor Kassel stated that they could continue to do that and they could also charge for it. Mayor Kassel stated things like the Borough GIS that they charged the private sector for work that they did and did not charge other agencies for, which was an option that they had available. Mayor Kassel stated that they chose to try to play well in the sandbox and not charge other government agencies, including FMATS and subcontractors working on projects for FMATS, and provided that information free of charge.

Mayor Kassel stated that they chose not to do that. Mayor Kassel stated that it cost them quite a bit of money to do that. Mayor Kassel stated the Borough just did a LIDAR and aerial photography run, which cost them a lot of money to accomplish that. Mayor Kassel stated that they went to all of their good partners and asked them if they wanted to chip in and help them because it was huge for FMATS projects and all of the other government agencies to have this data because it would save hundreds of thousands of dollars for every agency and private sector in this town to have that data. Mayor Kassel stated that he would not mention any names, but some of their good partners almost unanimously rejected the opportunity to participate and the Borough picked up the entire tab because the community as a whole, and FMATS, in particular, really needed this information. Mayor Kassel stated that obviously he had a little attitude about it, and he was disappointed that some of their partners had chosen not to participate, but he got it. Mayor Kassel stated that he was not throwing sand at anybody in the sandbox but it was an example of how it was a challenge when trying to legislate working together. Mayor Kassel stated that if they did not continue with a similar model as far as the part time positions, he thought they were opening a huge can of worms and was not going to save FMATS any money. Mayor Kassel stated that he would very strongly encourage the group when making a decision about whether or not they wanted to head in that direction he would encourage very strongly that they did not want to head in that direction, as far as changing that, because he knew the bang for the buck that FMATS was receiving for \$86,000.

Ms. Barker stated that her recommendation was based on the organization's best interest. Ms. Barker stated that she wanted to clarify how she viewed it and, again, whatever decision the Board made, she was not impacted in any way. Ms. Barker stated that by adding the additional \$160,000, in dual role employee expense to their \$460,000 total, it created far more organizational consternation, stress, and in-fighting. Ms. Barker stated that to her, \$80,000 in

either the Borough or DOT budget was not worth what it did to this group because they would always argue that they provided more and FMATS should just be grateful. Ms. Barker stated that all she was saying was that the act of having dual role employees in this MPO would continue to be a problem and she felt like it should not be a \$160,000 problem, because it was just not worth it.

Mayor Kassel asked Ms. Barker if she had any examples in the past year and a half of where this had been a problem. Mayor Kassel stated that Ms. Barker kept talking about how this was a big problem. Mayor Kassel stated that he had only been here a year and a half, but in his tenure here he did not remember one argument or discussion about this topic or anyone complaining, until today when he started whining about giving out more than \$86,000. Mayor Kassel stated that he had not complained about that, it had not been an issue, and they had been playing well in the sandbox as far as he could see.

Ms. Barker stated that she would provide him with a few examples that she came across.

Mayor Kassel stated that he appreciated that.

Mr. Anderson stated that it was a tough one. Mr. Anderson stated that from the perspective of DOT, he knew there had been a lot of talk about mine, mine, mine, and butting heads, but the workload DOT had right now for their Planning Staff and with the numbers they had, was outrageous. Mr. Anderson stated that for DOT to be able walk away from FMATS and hand over a Planner and tell them they were independent, sounded okay to him right now. Mr. Anderson stated that he thought that FMATS lost out because there was so much more that they provided in services that were behind the scenes. Mr. Anderson stated that there were some issues with their Headquarters and whatnot, they had those letters, and talked about those things, but they got the job done and right now it was working so they were working to get better. Mr. Anderson stated that he cautioned them on that right now just for the fact that he had folks that were doing too much as it was with the amount of resources that they had and they just kept getting more squeezed. Mr. Anderson commented that with the State not having a fiscal plan and what was going on in the background, it was not looking any better for them, so they should just keep that in mind.

Mayor Kassel stated that the financial picture was not improving for any of them and would not be in the near future. Mayor Kassel stated that when they were struggling, particularly over money, it was easy to get a little short on patience. Mayor Kassel stated that he was very sure that they would continue to throw sand once in a while in the sandbox, but as long as they did not throw the dump trucks, he thought they would be alright and could work through it. Mayor Kassel stated that as Mr. Anderson said, there was so much that went on at the Borough behind the scenes and even across the departments with the work they were doing for FMATS, there was really a wealth there that would be lost if they tried to go to an invoice type of situation.

Mr. Butler stated that looking around the room, he was probably the single individual there that had been there slightly before Ms. Gardino that had been sitting on the Technical Committee consistently throughout this process from ten years ago. Mr. Butler stated that he did not think anyone else in the room

had been consistently on the Committee for ten years. Mr. Butler stated that the perspective he could bring to it was that this had been a tension from the first day he sat there until today: their share, the DOT share, and the Borough share. Mr. Butler stated that it was a tension that came up throughout the year, every year that he had been here. Mr. Butler agreed that it was a tension that had come up consistently since he had been on the Technical Committee.

Mayor Kassel stated that he had been advised when he started his tenure that this was an issue and when their budget came up this year, it was never even mentioned. Mayor Kassel stated that everybody agreed on it and it was the only the budget he was part of voting on. Mayor Kassel stated that he knew the histories and thought that they had played better together than they had previously and hoped that they would continue to play well together. Mayor Kassel stated it was not a perfect world and they would have struggles one way or another. Mayor Kassel stated that they would continue to have struggles, but he thought that this was the best alternative because the amount of money that had the potential of being saved in the long-run was significant.

Ms. Barker asked Mayor Kassel if the Board still wanted the full report of their predecessor's problems with FMATS.

Mayor Kassel stated that they had not voted on anything yet and should see where they were going with the voting. Mayor Kassel stated that the whole list was on the table for discussion at this point and they were moving to approve it, in its entirety, unless somebody deleted something.

Ms. Barker asked Mayor Kassel if, in terms of what she had heard today about their hosting recommendation, they did not want the next steps for becoming a Leaning Independent. Mayor Kassel stated that they had not voted on anything yet. Ms. Barker stated that she was just asking and could start striking things.

Mayor Kassel stated that he would not start striking anything unless they voted to strike something. Mayor Kassel stated that they had a motion on the floor to approve the list in its entirety, so that was what they were doing unless somebody changed it so that would include no strike outs whatsoever.

Mr. Butler stated that when he hired someone to do something and they gave him recommendations, he did not vote on the recommendations. Mr. Butler stated that he took the recommendations and did what he wanted with them, versus telling them to change the recommendations to what they wanted them to be. Mr. Butler stated that they paid them to give them recommendations, they accepted their submission, but should they be dictating that they change their recommendations to be what they wanted them to be and did not seem like something they should be doing and was it appropriate to vote on it.

Mayor Kassel stated that Mr. Butler had a good point and was something that he had struggled with also. Mayor Kassel stated that the conclusion that he came to was that because they were using this list to task Ms. Barker and the entire consultant crew to dive into these deeper and give them more detail and it was creating more work. Mayor Kassel stated that this was a generic recommendation and they were authorizing more work to flesh out the details of some of these generic suggestions because these were not real complete. Mayor Kassel stated that they could just take it and give them 100 percent of

the work to do or they could delete it and say not to waste any more time on it because they did not want to go that way. Mayor Kassel stated that they could ask for more specific information on any detail they wanted so they could make a better decision down the road. Mayor Kassel stated that they were on a time constraint as well, because Ms. Gardino had notified them that she was departing so they had that schedule ahead of them.

Mr. Lawrence stated that they had received a series of recommendations from Ms. Barker and her team. Mr. Lawrence stated that it seemed to him that it was being presented to them today, as the Policy Board, to determine or decide whether they were going to adopt those recommendations or not. Mr. Lawrence asked if that meant that they were supposed to be making this decision today, at least in general, as to what direction they wanted to go with regards to this Transition Plan, and therefore they had to make some hard decisions today, unless they just wanted to drag this out further. Mr. Lawrence asked if he was missing something. Mr. Lawrence stated that he acknowledged these recommendations and thought they had merit, but this was on the Agenda today as an action item in order for them to accept those recommendations they wanted to accept.

Ms. Barker stated that their RFP asked her to bring them a set of Transition Plan recommendations and based on their adoption of them, or however they wanted to formally accept or acknowledge those recommendations, these were the steps that they wanted her to provide them with to be this version of themselves. Ms. Barker stated that she could help guide them through this by saying that they were recommending that FMATS fully organize as a Leaning Independent and she had not heard unanimous consent that they wanted that. Ms. Barker stated that would be the dual role employees and ultimately not living at the City of Fairbanks in terms of that component role. Ms. Barker stated that either they did or did not want steps to becoming more Leaning, and in terms of their desire to become Independent, they recommended that they had the Strategic Plan and waited until 2020 so they could accept that recommendation or not.

Mayor Kassel stated that they were making decisions here and were not just accepting recommendations, per say, so it was a gray area. Mayor Kassel stated that he understood Mr. Butler's concern and his was similar, since it was not as cut and dried as what they typically had. Mayor Kassel stated that if they approved this as it was printed, then they were going with a Leaning Independent, and that was what would get flushed out by the consultants and they would not have any more information or data down the road about going Independent or any more numbers so they were kind of making that decision at this point.

Mr. Lawrence stated that the two issues that had been specifically raised which he thought there was real division on with the Policy Board were: whether it was their goal to have one location for all MPO staff and eliminate dual-role employees, and the other issue was to assuring public employee equitability by increasing the FMATS benefits to cover the 80 percent out of pocket health costs.

**Amendment to the Motion:** On the Restructuring Recommendations, delete 4) a.i. (Lawrence/Cleworth).

**Discussion:** Mr. Lawrence stated that he was concerned about the employees of FMATS getting a fair deal but his concern was that they did not have enough information today about these benefit packages for him to make a decision about whether they should go to 80 percent.

**Vote on Amendment to the Motion:** Five in favor. One opposed. (Butler).  
Approved.

**Amendment to the Motion:** On the Restructuring Recommendation, delete all of Item 2) a.i. and 2) a.i.1. (Lawrence/Anderson).

**Discussion** Mr. Lawrence stated that it might be a wise objective and goal to go that way but from what he was hearing now was that he did not think this the Policy Board was ready to make that decision so there was no point in having Ms. Barker and her team address that issue until there was more concurrence from the Policy Board.

Mr. Cleworth stated this was a tough one. Mr. Cleworth stated that Mr. Butler was right that it was legendary and had heard about it when he came on in 2010 and had been a problem. Mr. Cleworth stated that he thought it could be clarified somewhat and he did not think it was a black and white issue.

Mr. Cleworth stated that ideally trying to ascertain who the controlling boss was of these people got rather convoluted and was not an ideal situation.

Mr. Cleworth stated that either they worked for the FMATS Director or they worked for the other two entities and maybe the MPO cut a check for a portion of that but he thought they needed to acknowledge that they could not have a situation where there were two bosses for one person and thought it was a good recommendation.

Mr. Butler stated that he had worked in numerous places and in numerous situations where there were dual employees and it was always the larger organization that controlled that employee. Mr. Butler stated that there could be changes in the administration but ultimately they were always controlled by the larger body.

Mayor Kassel stated that he would have to agree. Mayor Kassel stated that he did not see this as a staff member having two bosses. Mayor Kassel stated that Mr. Galligan was an employee of the Borough. Mayor Kassel stated that he looked at it like they were a subcontractor instead of charging for each item as it came along, but did not see it as having two bosses. Mayor Kassel stated that he saw it as they were asking a question, the same as if they were walking into a City office and asking a question.

Ms. Koch stated that she did not have a comment but wanted to let the Policy Board know that she would have to leave the meeting at 2 p.m.

**Vote on Amendment to the Motion:** Four in favor. Two opposed (Butler/Cleworth).

**Amendment to the Motion:** Under 1)a.i., organize as a leaning independent and conduct a Strategic/Business Plan to understand the feasibility of moving to a free-standing MPO. (Cleworth/Butler).

**Discussion:** Mr. Cleworth stated that the big question was whether to go to Independent or Leaning Independent and would make the motion that they organized as Independent.

Ms. Barker stated that if they wanted to be fully independent they would make a motion to be Freestanding and put back in all the bullets that they just removed. Ms. Barker stated that currently they were acting as a Leaning Independent.

Mayor Kassel stated that although Ms. Barker said that it would, it would not undo the two things that they had done.

**Note:** Ms. Koch departed the meeting at 2 p.m.

**Discussion:** Mr. Anderson asked if they were to go forward and recommend to proceed as a free standing organization would the feasibility of whether it could be done financially was the question. Ms. Barker stated that the recommendation was that they conduct a Strategic or Business Plan to figure out whether they could financially do it.

Mayor Kassel stated that he did not know if they had enough information right now and they needed more time and a Strategic Plan to make that decision.

Mr. Lawrence stated that the point was that they did not have time and thought and a lot more thought and research had to be done before they decided to be a freestanding organization. Mr. Lawrence stated that he was not opposed to it, in principal, but right now they had to hire a new Executive Director. Mr. Lawrence stated that it struck him that they needed to look at this longer and harder instead of just making that decision today so he would be voting against it.

Mr. Cleworth stated he did not think that the two were mutually exclusive and knew that they had to go out and hire a new Executive Director and they knew that. Mr. Cleworth stated that this Strategic Plan or Business Plan could throw enough water on it that it did not work. Mr. Cleworth stated that they would not know until they looked at it. Mr. Cleworth stated that he did not ever want to say that it would not work, he wanted to know and hear why. Mr. Cleworth stated that sometimes a better attitude was to say they thought it could work and he thought it could. Mr. Cleworth stated that there was no reason to stop looking for a new Executive Director and fully inform them that they were looking at a possible change in structure. Mr. Cleworth stated that he had kind of heard that they could not do both, but thought that they could unless he was missing something. Mayor Kassel stated that the way he read Ms. Barker's recommendation was that they would, for today, go Leaning Independent, then they would start to conduct a Strategic Plan, and work toward that and review some of these other things as they went forward, and then potentially go Freestanding. Ms. Barker thanked Mayor Kassel for the opportunity to clarify. Ms. Barker stated that the posting recommendation from her team was that they, and the important words were: "Fully organized". Ms. Barker stated that what her team recommended was that they brighten their identity in the way they were pretending to be right now which was as far to independence as they could before becoming their own organization. Ms. Barker stated that their recommendation then proceeded as it related to their housing, staffing, and succession planning with the steps they needed to take to function more as a Leaning Independent in their entirety. Ms. Barker stated that currently they were calling themselves a Leaning Independent, while acting like a Component MPO, while having dual employees. Ms. Barker stated that those things that they were doing such as not having a solid accounting of their in-kind, and not having a solid business model of what it would take to move

out of City Hall, were all of the things that were making them not fully organized as a Leaning Independent. Ms. Barker stated that what she had expected to do was to peel back the layers of their onion that they gave her in an RFP, and bringing tears to peoples' eyes about not wanting to change anything about who they were, except maybe to go Freestanding. Ms. Barker stated that she could bring them what it would look like to fully organize as a Leaning Independent, and could give them examples of what it would look like to go Freestanding, though that was not her current recommendation.

Ms. Barker stated that all the other things she would just have to say to them in a different way. Ms. Barker stated that the way they needed to structure in order to have an identity that other people could relate to was different than the three MPO blend that they had chosen today. Ms. Barker stated that she said that on the premise that the next Executive Director would either have MPO experience or some level of organizational experience and upon receiving the job, will run into problems that they tried to address in their recommendations.

Mr. Butler stated that it would ultimately fall back to Mayor Ward since he would not be there next time to make the decision but he agreed and thought for the Policy Board to ultimately make the decision about being either Leaning or Freestanding needed to have more information. Mr. Butler stated that there seemed to be enough members of the Board that were not in consensus and thought that in order to do their job well, they needed to have that comparison of what it would look like to be a Leaning Independent or Freestanding.

Mr. Cleworth stated that he kind of knew how the voting was going to go, but wanted to ask the question of whether the Policy Board members were interested in what it would look like to be Freestanding. Mr. Cleworth stated that, as he said, there were problems with those of them that were with the City, and that would stay that way until it was changed. Mr. Cleworth stated that if this was voted down, they could make a separate motion or do that at another meeting but he guessed he would need to hear from others if there was a desire to look at that to see what that would entail.

Mayor Kassel stated that he thought that the initial recommendations allowed for or suggested that.

Ms. Barker stated that the act of conducting a Strategic or Business Plan would give them the information they would need as to what a Freestanding would look like. Mayor Kassel stated that he totally agreed that they should look at that as an option but not mandate that was the way they were going which was what this amendment essentially did.

**Amended Motion:** To approve the Restructuring Recommendations for the FMATS Transition plan recommendations with the following changes: delete 4)a., 2)a.i. and 2a.i.1 and under 1a.i., organize as a leaning independent and conduct a Strategic/Business Plan to understand the feasibility of moving to a free standing MPO.

**Vote on Amended Motion:** None opposed. Approved.

## 8. New Business

- a. **Letter to the Governor/Interior Delegation Regarding Specific Impacts to Transportation Funding due to the Capital Budget Delay (Action Item)**

Ms. Gardino explained that the letter was drafted to send to the Governor and listed the specific projects that were impacted. Ms. Gardino stated that after meeting with the Transportation Committee the Legislators in attendance stated that they were 99 percent sure that they were going to pass a capital budget. Mayor Kassel stated that he thought the new draft of the letter was better than the old draft and would concur with Ms. Gardino that this might not be necessary now but thought they still needed to send the letter anyway because it would be good to make them aware of what the ramifications were.

**Public Comment:** No public comment

**Motion:** To forward the second letter to the Governor regarding Specific Impacts to Transportation Funding due to the Capital Budget Delay. (Cleworth/Lawrence).

**Discussion:** Mr. Anderson agreed that it was a much better letter than the previous one and appreciated the deletion of the last paragraph. Mr. Anderson stated that the one statement that he wanted to clarify was that the State did have some match left and not all of these projects were necessarily considered on hold. Mr. Anderson stated that they would be asking for a prioritized list from FMATS of what projects were high priority to be funded if the Capital Budget was not approved, that would be very useful to DOT. Mr. Anderson stated that when it came to projects like Noble Street, construction change orders were a high priority and what limited match money they had leftover they would be funding those types of obligations so it was not entirely accurate that they would not be funding those if the Capital Budget were not approved.

**Vote on Motion:** Four in favor. One abstention (Anderson). Approved.

**b. Banking Request (Action Item)**

Ms. Gardino explained that she was told that it was still a viable option to request funding and still had funding to be banked for next year.

**Public Comment:** No public comment.

**Motion:** To forward the proposed letter to Mike Crabb at the State Department of Transportation regarding the banking request. (Lawrence/Cleworth).

**Discussion:** Mr. Lawrence asked if it was always presumed that the figures were in millions of dollars.

Ms. Gardino stated that to the audience for the letter it was but Mr. Lawrence's point was well taken.

**Vote on Motion:** Four in favor. One abstention. (Anderson). Approved.

**c. Minnie Street PEL Study Cost Increase (Action Item)**

Ms. Gardino stated that the City of Fairbanks was managing the Consultant contract for the Planning and Environmental Linkages Study and the budget varied in hours for some of the tasks but not greatly on any particular task, and there was an additional project management task that came out of the negotiations for the Scope of Services. Ms. Gardino stated that this was only the second PEL Study that had been done in the region, and the first one was from Badger Road to Chena Hot Springs so it was kind of hard to compare and contrast the two.

**Public Comment:** No public comment.

**Motion:** To approve \$180,038 for the Minnie Street PEL Study Cost using offset funding. (Cleworth/Lawrence).

**Discussion:** Mr. Butler stated that he planned to vote for it but it would have been helpful to see the comparison and where the changes occurred line by line. Mayor Kassel stated that he totally concurred with Mr. Butler that it would have been to have a little more detail. Mr. Anderson stated that he was going to vote for this but according to their regulations, the DOT was supposed to review those documents and would add that when they got into these situations with consultants sometimes they considered taking on the work in-house.

**Vote on Motion:** All in favor. None opposed. Approved.

**d. Letter to the Interior Delegation on DOT&PF Maintenance Budget (Action Item)**

Ms. Gardino stated that she reviewed the minutes from the previous meeting and the discussion they had about maintenance and the State requiring sponsors yet they owned the roadways and needed to maintain their roadways so she wrote the letter based on what she heard at the meeting last time and in support of Mayor Kassel's comments.

**Public Comment:** No public comment.

**Motion:** To forward the letter to the Interior Delegation on the DOT&PF maintenance budget. (Lawrence/Butler).

**Discussion:** Mr. Anderson stated that he would abstain from this vote, but would like to bring up a couple points of clarification. Mr. Anderson stated that in the third paragraph there was a statement that basically said that DOT had taken the stance that creating new infrastructure was to be avoided because there was no funding to maintain it and it further went on to say, that this goes for projects from a new sidewalk, to bus pullouts, to lighting, all excellent safety projects, that he took exception to. Mr. Anderson stated that their top priority at DOT was safety and they were currently doing a lot of projects that were going to add maintenance costs, but were safety projects. Mr. Anderson stated that he did not think it was fair to state that DOT did not build anything new because there were a lot of projects and they could talk about last year and the Peger Road sidewalks, and Davis, and he could find all sorts of examples. Mr. Anderson stated that was the part of this that he thought was a tough one for DOT to swallow. Mr. Anderson stated that it was the same with lighting and they were still pursuing the areawide LED lighting project and that was such a good project. Mr. Anderson stated he thought the thing that probably started this letter was the discussion about landscaping. Mr. Anderson stated that he thought that was a fine thing to write a letter about. Mr. Anderson stated that if anyone had a chance to go walk down to Front Street to Steese by Growden Park and what a wonderful example it was of how folks worked together to get some nice things done and landscaping was included and DOT had agreed to do the maintenance on that. Mr. Anderson stated that those were good examples and good models to follow. Mr. Anderson stated that he thought this letter got a little bit off focus from where he thought it was going at the last meeting and the product.

Mayor Kassel stated that he thought those were great comments all the way through and the trail project was good. Mayor Kassel stated that he thought they had kind of agreed to share maintenance on that project and thought they

had come to a nice mutual agreement. Mayor Kassel stated that he thought that might be a sentence that could use some improvement. Mayor Kassel stated that, once again, Ms. Gardino had a good idea that maybe they should postpone the letter and make revisions to improve it and bring it back to the next meeting.

**Motion:** To postpone action on the letter regarding the DOT&PF maintenance budget until the next meeting (Cleworth/Lawrence).

**Discussion:** No further discussion.

**Vote on Motion:** None opposed. Approved.

**e. DOT Transportation Infrastructure: Notice and Review of Policy, Guidance and Regulation (Action Item)**

Ms. Gardino stated that the letter was written to provide input on rules and regulations that should be revised or removed to expedite the process.

**Public Comment:** Borough was left out of the letter.

**Motion:** To forward the letter to the U.S. DOT regarding the Notice of Policy Review. (Lawrence/Cleworth).

**Discussion:** The letter was not identifying entities but geographic areas.

**Amendment to the Motion:** To add the FNSB to the first paragraph. (Lawrence/Cleworth). None opposed. Approved.

**Amendment to the Motion:** To add the DOT&PF to the first paragraph. (Butler/Cleworth). All opposed. Motion failed.

**Vote on Amended Motion:** To forward the letter to the U.S. DOT regarding the Notice of Policy Review and to add the FNSB to the first paragraph. None opposed. Approved.

**Motion:** To approve the letter as amended.

**f. Transit State Management Plan Comments (Action Item)**

Ms. Gardino stated that she included the item to let everyone know about that it was available but after conferring with the FNSB did not think action was required.

**Public Comment:** No public comment.

**9. Other Issues**

No other issues.

**10. Informational Items**

**a. FTA Grants for Busses and Bus Facilities**

Ms. Gardino stated that she wanted everyone to be aware that this grant opportunity was out there and the Borough would be submitting proposals for their Transit Center.

**b. Noble Street Upgrades Update**

Ms. Gardino explained that she attended the Noble Street Upgrade project status Meeting on July 19, 2017 and they were working on the water and storm drain tie-ins and the gas line and might start doing dirt work next week. Ms. Gardino stated that she had asked for a summary of the Change Orders and already knew about \$135,000 but also knew there were some overruns on other items. Ms. Gardino stated that the Change Orders were currently estimated to be \$250,000 and some RFPs were outstanding so she would estimate a request for a PDA of about \$400,000 which was less than the

five percent for the project cost. Mr. Lawrence asked if there were any estimates for when the project would be completed. Ms. Gardino stated that it was schedule to be completed by October 15<sup>th</sup> and that had not changed.

**c. Obligations and Offsets**

Ms. Gardino explained the obligations and offsets included in the meeting packet.

**11. Policy Board Comments**

- Mr. Cleworth commented that this was a tough meeting and they did the best they could.
- Mr. Lawrence stated that he concurred with Mr. Cleworth that this was not a fun or easy meeting regarding the transition.
- Mayor Kassel stated that he also concurred with Mr. Cleworth's comments. Mayor Kassel stated that this was a challenging meeting, and thought they did some good work, were on target, and were working together well.

**12. Adjourn**

**Motion to adjourn.** (Butler/Lawrence). The meeting adjourned at 2: 50 p.m. The next Policy Committee Meeting is scheduled Wednesday, August 16, 2017, at 12 p.m. in the Fairbanks City Hall, Council Chambers

Approved: \_\_\_\_\_

  
Mayor Bryce Ward, Chair  
FMATS Policy Committee

Date: \_\_\_\_\_

8/16/17