

**ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE**

April 3, 2025

1:13 p.m.

MEMBERS PRESENT

Representative Ashley Carrick, Co-Chair
Representative Ted Eischeid, Co-Chair
Representative Genevieve Mina
Representative Louise Stutes
Representative Kevin McCabe
Representative Cathy Tilton
Representative Elexie Moore

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION: MATSU VALLEY PLANNING FOR TRANSPORTATION: BOUNDARY DEVELOPMENT PROCESS AND METROPOLITAN PLANNING ORGANIZATION FORMATION

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

KIM SOLLIEN, Executive Director
Mat-Su Valley Planning
Palmer, Alaska

POSITION STATEMENT: Gave a PowerPoint presentation, titled "MATSU Valley Planning for Transportation."

DONNA GARDINO, Principal Planner
Gardino Consulting
Fairbanks, Alaska

POSITION STATEMENT: During the presentation answered questions on Metropolitan Planning Organizations.

JACKSON FOX, Executive Director
FAST Planning

Fairbanks, Alaska

POSITION STATEMENT: During the presentation answered questions on Metropolitan Planning Organizations.

ACTION NARRATIVE

[1:13:02 PM](#)

CO-CHAIR TED EISCHEID called the House Transportation Standing Committee meeting to order at 1:13 p.m. Representatives Moore, McCabe, Mina, Stutes, Tilton, Carrick, and Eischeid were present at the call to order.

PRESENTATION: MatSu Valley Planning for Transportation: Boundary Development Process and Metropolitan Planning Organization Formation

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CO-CHAIR EISCHEID announced that the only order of business would be a presentation on the MatSu Valley Planning for Transportation.

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The committee took an at-ease from 1:15 p.m. to 1:18 p.m.

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KIM SOLLIEN, Executive Director, MatSu Valley Planning (MVP), Gave a PowerPoint, titled "MATSU Valley Planning for Transportation" [hard copy included in the committee file]. On slide 2, she gave an overview of the presentation, which included MVP's organizational development, MVP's boundary development, and the challenges with the Statewide Transportation Improvement Program (STIP). She stated that using the 2020 census data from the U.S. Census Bureau, the Department of Transportation and Public Facilities (DOT&PF) determined that the Matanuska-Susitna (Mat-Su) Borough would receive an urban area designation; therefore, the borough would need to form a Metropolitan Planning Organization (MPO).

MS. SOLLIEN moved to slide 3 and stated that the Mat-Su Borough received a grant in 2019 to form a pre-technical committee to help with this development. She noted that the committee included members from the Mat-Su Borough, the City of Palmer, the City of Wasilla, the Knik Tribal Council, the Chickaloon

Village Traditional Council, transit advocates, bike and pedestrian advocates, the Alaska Railroad, and others. She stated that this group had regular meetings to discuss the MPO development process, and a pre-policy board was formed. It was determined that MVP would be a nonprofit organization, and it received a \$1 million grant from the legislature to meet the fee requirements. She stated that the first Unified Planning Work Program was approved, the Metropolitan Transportation Plan (MTP) was finalized, the Metropolitan Planning Area (MPA) boundary was approved, and the Policy Board was approved. She added that the operating agreement was finally signed in December 2023. She explained that the process had been "a race," as there was one year to become organized after the U.S. Census was certified.

MS. SOLLIEN stated that MVP's Policy Board consists of seven members from local governments, while the Technical Committee is a larger body. She noted the members of the board, as seen on slide 4. Because most of MVP's roads are within the Mat-Su Borough, she pointed out that the borough has two seats on the board.

MS. SOLLIEN moved to slide 5 and explained that MVP's nonprofit status has been filed and certified. She pointed out that MVP's personnel and organizational development would reflect its nonprofit status. She continued, stating that an executive director was hired, and a bank account was opened. She stated that currently staff are being hired, and its MTP would be introduced soon. She remarked that it has taken over four years to reach this point.

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MS. SOLLIEN, in response to a question from Representative Tilton, explained that MVP's organizational structure has two bodies, the Policy Board and the Technical Committee, and these would oversee the staff and the long-range plans. She stated that the Technical Committee would have 16 members with the role of supporting staff. She listed the members on the board, noting that each would represent a mode of transportation. She stated that the Technical Committee would review all plans and projects. In response to a follow-up question concerning public members of the committee, she clarified that all MVP meetings would be opened to the public and to public feedback. She added that these meetings would be advertised. She stated that while most of the committee members would represent government entities, there would be three public positions. She stated

that the Policy Board would approve the individuals appointed to these positions.

REPRESENTATIVE TILTON commented that private land development would not be represented on the Technical Committee and Policy Board.

MS. SOLLIEN, in response to a question from Co-Chair Eischeid, explained that the MPO process is set up in U.S. Code, Title 23. For MPOs to be in good standing, she said they would need to follow the process set out in this federal code. She stated that in terms of MVP becoming a nonprofit, all the required organizational steps would need to be completed. She noted that Fairbanks Area Surface Transportation (FAST) Planning, is also a nonprofit, and it has mentored MVP.

MS. SOLLIEN responded to a question from Co-Chair Eischeid concerning the function of MPOs in transportation planning. She explained that with the advent of the Interstate Highway System in 1954, grants were given to states to build the country's highways. She expressed the understanding that often states did not communicate their highway construction and placement plans with local communities. She explained that communities were often in disagreement on the placement of the highways, and this resulted in lawsuits. Because of the lawsuits, a section was added to the federal highway bill, which required local cooperation in order for the states to receive federal funding. She pointed out that this had led to the creation of MPOs. She explained that once a community reaches a population of 50,000 people in a contiguous area, it would need to form a planning organization, or MPO. She asserted that this ensures all entities involved would work together. In response to a follow-up question, she clarified that to receive federal transportation funding, the community must form an MPO.

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MS. SOLLIEN, beginning on slide 6, explained MVP's process of developing its metropolitan boundary. Once a community is designated by the census, she said the community's MPO must plan its urban area boundary, looking at 20 years into the future. This plan would concern the area of projected population growth, and MTP would reflect this growth. To determine this, she said MVP put together a boundary development strategy, which was approved by its Policy Board. This strategy looked at population forecasts, current issues, development trends, and more. She stated that after the final boundary report, the map

was created. She moved to slide 7 and slide 8 and explained the results of the census in 2020 in more detail. She reiterated that once the census designates an area as urban, to continue receiving federal highway funding, an area's MPO must be established within one year, as seen on slide 9. She stated that federal regulation would not dictate the size of an MPO's policy board, but the board must have members from the area's largest city and the state's transportation department.

MS. SOLLIEN, in response to a question from Representative Tilton, explained that if a city opts out of being part of the area's MPO, projects would still be planned in the city. However, any city opting out would not have a voice on the project or access to the funding.

MS. SOLLIEN, in response to a question from Representative McCabe, clarified that the federal requirement would be that the planning area boundary encompasses the urban area boundary. She explained that the city would not have a voice on the local use of federal funds if it opted out of having a member on the policy board. In response to a follow-up question, she clarified that if a city is not a member of the local MPO, the city would have to pay the federal funding portion going into any of its projects. She explained that if the city did not agree to the project, it simply would not pay the match, and the project would not move forward. She deferred to Donna Gardino.

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DONNA GARDINO, Principal Planner, Gardino Consulting, expressed agreement with Ms. Sollien's answer to Representative McCabe's question. She explained the purpose of MPO transportation planning, which is to create a network with a boundary. She added that needs would be identified in MTP, and this plan would be reviewed by the public and the stakeholders. She continued that if a city in the MPO boundary does not want a project, it simply would not pay its nonfederal share.

REPRESENTATIVE TILTON questioned the representation of the Knik-Fairview area, as it is located outside of the Mat-Su Borough.

MS. SOLLIEN, in response, stated that the borough would not have "road powers" in the Knik-Fairview region; however, it would be responsible for the infrastructure. Concerning any projects in its long-range plan, she said that MVP would have conversations with local entities, and projects would be open for public

review and comment. She noted that the committees and boards would consider all public comments.

CO-CHAIR EISCHEID commented that the mayor of the Mat-Su Borough does sit on an MVP board.

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MS. SOLLIEN moved to slide 10 and continued to speak about the boundary development strategy. She reiterated that, per federal regulation, this would include a 20-year perspective on future urbanization and the minimum boundary. She pointed out that MVP's boundary ended up being smaller, as it focuses on a fast-growing area with the greatest need. She stated that MVP's final draft boundary would have to be approved by its Policy Board and the governor. She noted that the boundary would not need federal approval, but it would need to be forwarded to the relevant federal agency, along with MVP's operating agreement.

MS. SOLLIEN moved to slide 11 and spoke about how the location of the boundary was determined. She stated that this concerned population growth, spatial distribution, and contiguous "hops and jumps." On slide 12, she explained that a population forecast to 2045 had to be chosen. She pointed out that MVP planners had looked at 10 different forecasts, and they ended up choosing the Department of Labor and Workforce Development's forecast because it showed a middle range of population growth.

MS. SOLLIEN, in response to a question from Co-Chair Carrick, clarified that a project outside of an MPO's boundary could be addressed if it effects transportation within its boundary. She noted that MPOs could adjust its boundaries or planning to accommodate a potential increase in traffic. She explained that if a project outside of an MPO's boundary affected funding, the board could address this. In response to a follow-up question, she stated that the U.S. Census Bureau would determine the Metropolitan Statistical Analysis, and MPOs could increase their boundary up to the size of this analysis. She noted that if the population projection were not exact, there would be no penalty. She stated that there is a requirement that the boundary is reviewed every 10 years, but boundary adjustments could be made at any time.

MS. SOLLIEN, in response to a question from Representative McCabe, provided her understanding that if a project outside of an MPO's boundary effected its funding, the MPO's policy board could address the project.

REPRESENTATIVE MCCABE expressed the opinion that MPOs should work on projects only in their planning areas. He argued that garnering funding or commenting on a project hundreds of miles outside of an MPO's boundary would not be the MPO's responsibility.

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MS. SOLLIEN moved to slide 13 and pointed out that MPV's projected population growth would add another 46,000 people to the borough in the next 20 years. Reasoning that some of these people would not move to the urban areas, she noted that this number was reduced to 43,000. To understand where these people would move, she explained that the borough's parcel data had been reviewed. She noted that any publicly owned lands, lands with preexisting structures, and agricultural lands were removed from this review.

MS. SOLLIEN moved to slide 14, which showed a map of the boundary area that highlighted privately owned land on unbuilt parcels under five acres. She noted that the map on slide 15 highlights parcels of land that have current platting actions. She added that these parcels could hold around 20,000 residents. She moved to the map on slide 16, which highlighted privately owned land on unbuilt parcels over five acres. She noted that this could hold another 200,000 residents. For the boundary development to meet the threshold, she stated that development density, traffic impact zones, and census blocks would need to be looked at, as seen on slide 17. She stated that the use of public utilities was also considered in making a projection.

MS. SOLLIEN moved to slide 19, which displayed the final map of the draft boundary. She stated that this draft was shared with stakeholders, who were asked about any other possible developments in the area that could impact the boundary. She stated that 72 comments were received. She displayed a chart on the comments and actions taken, as seen on slide 20. She stated that these comments were documented in a report. She noted the map on slide 21, which highlighted the areas concerning the public comments shown on the previous slide. She discussed some of the public comments, as they related to the map. She moved to slide 21, which displayed the final boundary approved by the Policy Board. She pointed out that it includes the urbanized area and the projected urbanized area. She noted that it covers 120 square miles, with a population of 73,000 people. She

reiterated that the Policy Board and the governor approved this map.

MS. SOLLIEN transitioned to the discussion of MVP's challenges with the STIP development, as seen on slide 25. She stated that as a new organization, MVP is still building its processes. She noted that many of MVP's committee and board members have never served in this capacity, so everything is new for them. She stated that MVP's involvement with the STIP development has been inconsistent. She opined that the obligation of MVP would be to support local control of federal funding; therefore, members and entities would need to work together on how the money would be spent.

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MS. SOLLIEN, in response to a question from Co-Chair Eischeid, noted that during the time she worked for the Mat-Su Borough, there had been a STIP team. She explained that in the STIP development process, meetings would be had with planners and the relevant entities to look at projects and discuss funding. She stated that as a new entity, MVP has not completely understood its allocation from the different funding sources. She noted that through the STIP development, the funding amounts have changed, and there has been confusion. She stated that the Policy Board is supposed to determine the funds going to projects already in process, but the funding amounts have not been consistent. She stated that there are questions that need to be answered concerning the allocation amounts and the Policy Board's recommendations. In response to a follow-up question, she expressed difficulty, as things have been different from what she expected. She explained that she works on detailed paperwork where STIP changes need to be addressed. She expressed frustration that there had not been enough communication on the inconsistencies and errors prior to the STIP's release.

REPRESENTATIVE MCCABE commented that MPOs are planning organizations, and they would not approve contracts or have other fiscal duties. He expressed the opinion that her struggles with the funding concerns DOT&PF responsibilities, not MVP's responsibilities. He expressed the understanding that the funding amounts would change; therefore, MPOs do not always get their full funding requests.

MS. SOLLIEN expressed the understanding that MVP is in a different situation from other MPOs because it does not yet have

MTP or a Transportation Improvement Program (TIP). She argued that what has been programmed into STIP should be moving forward. She expressed agreement that MVP would not be issuing and managing contracts; however, it would be the steward of the funding. She asserted that this needs to be documented correctly for all approved projects. She continued, arguing that the process needs to be documented and communication needs to be consistent.

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MS. SOLLIEN, in response to a question from Representative Stutes, affirmed that she previously worked with the Mat-Su Borough and had been involved with STIP at that time. In response to a follow-up question, she stated that in the past she had a close working relationship with the STIP team; however, she expressed confusion on who is now developing STIP, as planners were not sharing information.

REPRESENTATIVE STUTES expressed the understanding that the commissioner of DOT&PF has stated that the current STIP planners have no prior experience. She questioned whether there is a single fund of money for allocation to MPOs.

MS. SOLLIEN, in response, stated that FAST Planning and MVP are small MPOs compared to Anchorage Metropolitan Area Transportation Solutions (AMATS). She stated that a portion of the Surface Transportation Block Grant would go to the urbanized areas. She noted that this portion is by formula based on size. She deferred to Ms. Gardino.

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MS. GARDINO stated that the funding is allocated by formula. She stated that MPOs would not directly receive the funding; rather, they would receive the numbers so projects could be programmed up to this amount. She stated that this number has changed for MVP with every STIP amendment, which is unexpected. She stated that MVP has requested that the formula funding be presented in a memo so it could be assured that projects would be supported.

REPRESENTATIVE STUTES commented that sometimes STIP projects have been declared ineligible for federal funding. She expressed concern for what would happen to these federal dollars if an MPO is already entitled to the funding for projects deemed ineligible.

REPRESENTATIVE TILTON questioned the continued funding source for MVP. She questioned the distribution of the federal funding.

MS. SOLLIEN, in response, stated that by formula, each of the three MPOs in the state would be allocated funding to manage office operations and project planning. She stated that there also would be funds programed for the MPO's region. She stated that MVP would receive about \$400,000 to do the planning work and to manage the organization, the board, the committees, the public involvement, and more. She continued that it would receive around \$10 million in project funding that the state manages, but MVP would track. She expressed uncertainty concerning any other organizations receiving funding, as there are only three MPOs in the state. She added that all entities involved with MVP would be responsible for matching the funding that they receive. In response to a follow-up question, she expressed uncertainty concerning a specific dollar amount on the administrative costs, as she currently did not have the formulas.

REPRESENTATIVE MCCABE questioned the term "programing" versus the term "planning." He suggested that there has been confusion on the entity that would be "in charge," whether it is MPOs or DOT&PF. He questioned whether this is "where the head butting has come in lately."

MS. GARDINO, in response, said MPOs would be responsible for "planning" MPA and "programing" TIP, as the allocation must be programed in TIP. She explained that a variation in cost usually is not a major problem; however, if there were major project changes, such as in the cost or schedule, this would have to be reflected in an amendment to TIP. She pointed out that if not all the funds are programed in a year, the funding could be lost. She emphasized that if there is a change to a project, this needs to be shown in TIP, and the funding may need to be allocated to a different project.

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MS. SOLLIEN concluded the presentation.

CO-CHAIR CARRICK questioned whether DOT&PF would oversee consultation with MPOs.

MS. SOLLIEN, in response, stated that DOT&PF is responsible for producing STIP. She explained that MVP is in a situation where it does not have TIP, so this cannot be incorporated into STIP. She expressed the understanding that DOT&PF would be responsible for letting MPV know its allocations so funds could be programed, and this information could be given to the boards and the public. She reiterated that DOT&PF is responsible for STIP and the funding coming into the state; therefore, it is responsible for communicating this in a timely manner so MVP could proceed with its allocations.

CO-CHAIR CARRICK expressed the understanding that the criticism from MPOs during the STIP process has been because of the lack of consistent consultation and communication about the projects in TIP and potential changes. She noted that DOT&PF would be the "common denominator" concerning this problem.

REPRESENTATIVE MCCABE questioned whether an MPO would "go around" DOT&PF and directly consult the Federal Highway Administration for project or money requests. He questioned the obligation for MPOs to go to DOT&PF first.

MS. SOLLIEN, in response, expressed uncertainty. She stated that the Federal Highway Administration and DOT&PF are both partners. She stated that she does not have a frame of reference for the question.

MS. SOLLIEN, in response to a question from Representative Stutes, clarified that the purpose of MPO would be to do long-range planning on projects within its boundaries. She noted that these projects would be listed in MTP and TIP. She explained that if a new project came about as a priority, it would be the MPO's responsibility to bring the project forward and put it through the process, as both MTP and TIP would need to be amended. She continued that the MPO's Policy Board could vote against the project; therefore, amendments would not be approved. She observed that the state would have a seat on the Policy Board. She explained that the reasoning for MPOs is so the entities could collaboratively come together on the Policy Board and decide on projects. In response to a follow-up question, she deferred to Jackson Fox. She pointed out that he has had more experience to answer the question.

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JACKSON FOX, Executive Director, FAST Planning, responded to the question from Representative Stutes concerning whether DOT&PF

had attempted to circumnavigate MPOs in the past. He pointed out that this had happened with two bridge replacement projects in Fairbanks. He stated that FAST Planning was never consulted about these projects as DOT&PF tried to advance them. He explained that the projects were stopped because they were not in FAST Planning's MTP or TIP. For these projects to go forward, he said they would need to be amended into these plans. He noted that one of the projects moved forward because a new FAST Planning boundary had not yet been approved, so it did not need to be in MTP or TIP. He provided details on the reasons the other plan had not gone forward, noting that it would have gone forward if the project had been presented in a timely manner. He expressed the understanding that AMATS has had four projects with similar situations.

REPRESENTATIVE STUTES expressed her appreciation for local involvement.

REPRESENTATIVE MCCABE questioned the bridge projects.

MR. FOX, in response, stated that neither of these bridges have been in FAST Planning's TIP because they are in good-to-fair condition. He opined that DOT&PF included the bridges to assist with the ore haul project. He noted the large volume of public comment received on these projects.

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CO-CHAIR EISCHEID questioned when the new FAST Planning boundary map was submitted to the governor.

MR. FOX, in response, stated the FAST Planning's process for the new boundary was completed by November 2023. It was submitted to the commissioner's office to advance to the governor for approval in December 2023. He stated that this was a year and five months ago.

CO-CHAIR EISCHEID acknowledged that DOT&PF did not have the opportunity to testify during the hearing. He thanked the presenters and made closing comments.

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ADJOURNMENT

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at [3:02] p.m.