Recommendations for the Matanuska-Susitna Area MPO

MatSu Monthly Mayors & Manager Meeting

June 20, 2019

Presented by: Jackson Fox, FAST Planning
(Fairbanks Area MPO)
Overview

• Metropolitan Planning Organizations (MPOs)
  • Who we are & What we do
  • Required Plans
  • Project Funding
  • DOT&PF Relationship

• FMATS Transition to FAST Planning

• Recommendations for MatSu MPO
  • Short Term & Long Term
Metropolitan Planning Organizations (MPOs)

- Urbanized Areas with 50,000+ population
  - In Alaska → Anchorage & Fairbanks → ...soon MatSu Region
- Federally mandated
- Federally funded → Fairbanks MPO receives $9.5 million annually
- Responsible for regional transportation planning and agency coordination
- Empowers local governments in the transportation decision-making process
- Engages the public in transportation planning and projects
Our Office

• Federally-funded with Planning Funds (~$400k annually)
• Staff
  • Executive Director
  • Transportation Planner
  • Administrative Assistant (part-time)
• Support Staff
  • DOT&PF Planner
  • FNSB Transportation Planner
• Operates under Intergovernmental Agreement delineating agency responsibilities
Policy Board

- City of Fairbanks Mayor
- City of North Pole Mayor
- Fairbanks North Star Borough Mayor
- City Council Member
- Borough Assembly Member
- DOT&PF Northern Region Director
- ADEC Air Quality Director
Technical Committee

- DOT&PF Planning
- DOT&PF Preconstruction
- ADEC Air Quality
- City of Fairbanks Engineering
- City of North Pole
- University of Alaska

- Borough Planning
- Borough Transit
- Alaska Railroad
- Fort Wainwright
- Tribal Representative
- Freight Representative
Other Committees

• Bicycle & Pedestrian Advisory Committee
  • Agency, Local Interest Groups, & Public members

• Freight Advisory Committee
  • Agency & Freight Industry representatives

• Seasonal Mobility Task Force
  • DOT&PF Maintenance, City Public Works, FNSB Rural Services, FNSB Parks & Recreation, MACS Transit, UAF Operations, School District, Access Alaska
What We Do → Key Plans

**Required Plans**

- Metropolitan Transportation Plan (MTP)
  - 20+ year Long Range Plan
- Transportation Improvement Program (TIP)
  - 4-year Short Range Funding Plan
- Unified Planning Work Program (UPWP)
  - 2-year Staff Work Plan
- Public Participation Plan (PPP)
  - Title VI Compliance

**Supplemental Plans**

- Non-motorized Plan
- Freight Mobility Plan
- Safe Routes to School Plans
- Green Streets Plan
- Road Service Area Expansion Plan
- Road/Rail Crossing Reduction Plan
- Corridor Studies
Metropolitan Transportation Plan (MTP) [Long Range Plan]

Fairbanks

MatSu
<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Cost</th>
<th>Goal</th>
</tr>
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<tbody>
<tr>
<td><strong>GILLAM WAY RECONSTRUCTION</strong></td>
<td>Reconstruct Gillam Way between Airport Way and 22nd Avenue, including pedestrian and drainage improvements, utilities, and traffic calming.</td>
<td>$4.5 M</td>
<td>2A, 2B, 3</td>
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<tr>
<td><strong>MCGRATH ROAD UPGRADE</strong></td>
<td>Upgrade McGrath Road between Farmers Loop Road and the Old Steese Highway. Improve the existing separated bicycle/pedestrian path as needed.</td>
<td>$5.9 M</td>
<td>2A</td>
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<td><strong>COWLES ST RECONSTRUCTION (EAST COWLES—1ST AVE)</strong></td>
<td>Reconstruct Cowles Street from 1st Avenue through East Cowles Street. Project work will include roadside hardware, drainage improvements, intersection improvements, ADA improvements, and utilities.</td>
<td>$7.2 M</td>
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### Transportation Improvement Program (TIP) [Short Range Funding Plan]

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<th>Fund Code</th>
<th>Phase</th>
<th>FFY17</th>
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<td>Project Total</td>
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<td>260.0</td>
<td>450.0</td>
<td>660.0</td>
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FFY17-20 Projects

- Airport Way Functional Features Analysis
- Barnette Reconstruction
- Birch Hill Bicycle & Pedestrian Facility
- Chena Riverwalk Stage III
- College Road Bus Pullouts
- Cowles Street Reconstruction
- Cushman Street Bridge Rehabilitation
- Fairbanks Road/Rail Crossing Reduction/Realignment Plan
- FAST Surface Upgrades Program
- FAST Intersection Improvement Program
- FAST Sidewalk Improvement Program
- Gillam Way Reconstruction
- Green Streets Plan
- Lacey Street Reconstruction
- Lathrop Street Extension
- McGrath Road Upgrade
- Metropolitan Transportation Plan
- Minnie Street Upgrade
- Noble Street Upgrade
- North Pole Streetlight Standardization
- Old Richardson Highway Intersection Improvements
- Sign Replacement Stage III
- Tanana Loop & South Chandalar Drive Intersections
- Wembley Avenue Improvements
- Yankovich/Miller Hill Road Reconstruction
Recent Projects

- Cushman Street
- Noble Street
- Birch Hill Bike/Ped Path
- Yukon Drive (UAF)
- Annual Road Resurfacing

- 80% motorized
- 20% non-motorized
2019 Construction Projects

• Gillam Way Rehabilitation
• Wembley Avenue Improvements
• FAST Surface Upgrades Program
  • Various COF, CONP, UAF, and FNSB Road Service Area roads
• FAST Sidewalk Improvement Program
  • 5th Avenue, Bjerremark Street, Cowles Street, Homestead Drive, Loftus Road
• FAST Intersection Improvement Program
  • 1st Ave & Lacey Street, 10th Ave & Lathrop Street
How it works...

• Federal-aid apportioned to State (DOT) to administer projects:
  “Fiscal Steward” of MPO’s federal funding allocation
  • Planning → Design → Utilities → ROW → Construction

• Funding requires match (~9%) paid by State and Local Governments

• State and Local Governments must commit to and pay for maintenance

• Often supplemented by State and Local Funding...if there’s $$$
DOT&PF Match Policy

<table>
<thead>
<tr>
<th>Category</th>
<th>DOT&amp;PF – 100%</th>
<th>DOT&amp;PF – 50%</th>
<th>DOT&amp;PF – 0%</th>
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<tr>
<td>DOT&amp;PF Road</td>
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<td>City/Borough RSA Road</td>
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<td>Local &amp; Minor Collector</td>
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<td>Major Collector &amp; Arterials</td>
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<td>Planning Funds (MPO)</td>
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- For road projects, the local government or RSA pays required match
- For planning funds, MPOs pay required match with local government contributions <or> state legislative appropriations
Federal-aid Transportation Funding

- Fixing America’s Surface Transportation (FAST) Act FY2016-20
  - $305 billion over 5 years for highway, safety, transit, and rail projects
  - Distributed to ALL states by formula

- Where does funding come from?
  - User-based System: Fuel Taxes
    - 18.4¢/gal gasoline, 24.4¢/gal diesel
    - Supplemented with General Fund transfers

Source: FHWA
How much does Alaska get?

• In 2019, Alaska received **$542 million** (pop. 740,000)
  
  • States with similar apportionment (~$500 million):
  
    • Oregon (pop. 4,143,000)
    • Iowa (pop. 3,146,000)
    • Mississippi (pop. 2,998,000)
    • Arkansas (pop. 3,004,000)
  
  • California (pop. 39,537,000): $3.882 billion
  • Texas (pop. 28,305,000): $3.651 billion
  • Florida (pop. 20,984,000): $2.004 billion

→ Fairbanks MPO receives $9.5 million

**Alaska**

$732/person

**Oregon**

$128/person
How much does Fairbanks MPO get?

FFY19 FAST Act Funding for Alaska ($542 million)
- $306,715,836
- $153,320,470
- $32,384,409
- $29,076,413
- $2,402,700
- $17,206,531

FFY19 Funding for FAST Planning ($9.5 million)
- $8,275,366
- $800,000
- $427,000
Distribution of STP Funds by Population

Alaska STP Funds Distribution by Population

- Areas > 200k: $54,109,864
- 5k < Areas ≤ 200k: $27,364,103
- Areas ≤ 5k: $21,248,641
- Any Area: $28,741,984
- Off-system Bridges: $4,130,166

5k < Areas ≤ 200k

- Fairbanks: $8,275,366
- Other Communities: $12,973,275

Communities:
- Juneau
- Sitka
- Ketchikan
- Wasilla
- Kenai
- Kodiak
- Bethel
- Palmer
- Homer
How much does Fairbanks get?

- Road Projects, Annual Average (last 4 yrs):
  - $37 million per year*

*Figure excludes Highway Safety Projects
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>2003</td>
<td>MPO established as a result of 2000 Census</td>
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<tr>
<td>2003-07</td>
<td>FNSB and DOT&amp;PF used existing staff to fulfill MPO functions</td>
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<tr>
<td>2007</td>
<td>Organizational Study preformed, which recommended creation of MPO Coordinator’s Office – City volunteered to host MPO</td>
</tr>
<tr>
<td>2008</td>
<td>MPO Coordinator’s Office opened in Fairbanks City Hall</td>
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<tr>
<td>2017</td>
<td>Transition Plan completed for finding new Director and reorganizing MPO as an independent organization</td>
</tr>
<tr>
<td>2018</td>
<td>Formed 501(c)(3) Non-profit Corporation</td>
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<tr>
<td>2019</td>
<td>Governor approved new Intergovernmental Operating Agreement officially replacing FMATS with FAST Planning</td>
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Developing Issues 2008-2017

• City had control over MPO employees, not Policy Board
• MPO could not apply for grants unless City was applicant
  • MPO was not an entity; rather, a Department of the City
• City claimed “in-kind” expenses for housing MPO to avoid making financial contributions towards operation of MPO
• MPO employees were subject to Union negotiations with City for larger group of employees
City/Union Issues

AETF Health & Welfare Plan - Monthly Premium

- Employee Contribution
- City Contribution

City/Union Issues

AETF Health & Welfare Plan - Monthly Premium Cost Share

Percent of Premium Paid

City Contribution
Employee Contribution

Year: 2007 to 2017
Examples of Non-profit Corporation MPOs

<table>
<thead>
<tr>
<th>Location</th>
<th>Metropolitan Planning Organization (MPO)</th>
<th>Population Served</th>
<th>Nonprofit Status</th>
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</thead>
<tbody>
<tr>
<td>1 Brewer, Maine</td>
<td>Bangor Area Comprehensive Transportation System</td>
<td>67,763</td>
<td>501c3</td>
</tr>
<tr>
<td>2 Columbus, Ohio</td>
<td>Mid-Ohio Regional Planning Commission</td>
<td>1,436,334</td>
<td>501c3</td>
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<tr>
<td>3 Denver, Colorado</td>
<td>Denver Regional Council of Governments</td>
<td>2,827,082</td>
<td>501c3</td>
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<tr>
<td>4 Old Saybrook, Connecticut</td>
<td>Lower Connecticut Rivery Valley Council of Governments</td>
<td>175,636</td>
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<td>5 Phoenix, Arizona</td>
<td>Maricopa Association of Governments</td>
<td>4,055,281</td>
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<tr>
<td>6 Pittsburg, Pennsylvania</td>
<td>Southwestern Pennsylvania Commission</td>
<td>2,574,953</td>
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<td>7 Shreveport, Louisianna</td>
<td>Northwest Louisianna Council of Governments, Inc.</td>
<td>371,948</td>
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<td>8 Springfield, Missouri</td>
<td>Ozarks Transportation Organization</td>
<td>307,781</td>
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<td>9 Stockton, California</td>
<td>San Joaquin Council of Governments</td>
<td>685,306</td>
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<tr>
<td>10 Summersville, West Virginia</td>
<td>Fayette/Raleigh Metropolitan Planning Organization</td>
<td>124,898</td>
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<tr>
<td>11 Terre Haute, Indiana</td>
<td>West Central Indiana Economic Development District, Inc.</td>
<td>128,449</td>
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<td>12 Tucson, Arizona</td>
<td>Pima Association of Governments</td>
<td>980,263</td>
<td>501c4</td>
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Becoming a Non-profit Corporation

**Documents to Complete**

- Resolutions by Local Government Councils & Assembly authorizing Mayors to serve as Board members of a Non-profit Corporation
- Membership Fee Agreement
- Bylaws, including Conflict of Interest Policy
- Articles of Incorporation
- Personnel & Fiscal Policies
- Resolution for Bank Account & Check Signers
- Intergovernmental Operating Agreement
- IRS Form 1023 to obtain tax-exempt status

**Steps to Complete**

- Determine name for Non-profit Corporation
- File Articles of Incorporation with State
- Obtain EIN & DUNS numbers
- Obtain State & City Business Licenses
- Open Bank Account
- Create a SAM Account
- Complete DOT&PF Internal Review Audit to establish an IDCR for billing (federal reimbursement)
- Obtain General Liability and Directors & Officers Insurance
- Lease office space and hire staff
- Consider outsourcing Payroll and IT Services
Membership Fees & Annual Dues

- Annual Budget for MPO Office: $400,000
- Required match (9%) for Planning Funds for Office: $36,000
- Population within Urbanized Area Boundary (MPA): 70,000

<table>
<thead>
<tr>
<th>Government</th>
<th>Population</th>
<th>Membership Fee</th>
<th>Annuals Dues</th>
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<td>State of Alaska</td>
<td>70,000</td>
<td>$198,582</td>
<td>$17,872</td>
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<tr>
<td>MatSu Borough</td>
<td>57,000*</td>
<td>$161,702</td>
<td>$14,553</td>
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<td>City of Wasilla</td>
<td>8,000</td>
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<td>$400,000</td>
<td>$36,000</td>
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* MPA population minus City populations
Recommendations for MatSu MPO

• Short Term
  • Start small...send joint letter from local governments to DOT&PF Headquarters requesting Planning Funds to start operation of MPO in advance of requirement
  • Letter should include a 1-year Work Plan and Budget detailed with discrete tasks
  • Hire an “MPO Coordinator” to staff MPO and consider hosting arrangement with one of the local governments
  • Avoid using existing staff for MPO where position might be a dual role working for MPO and hosting agency’s interests...you will be audited!

• Long Term
  • Consider the Non-profit Corporation model to become fully independent from any one local government’s influence/interests, and empowered to seek federal grants to supplement MatSu’s future transportation funding allocation
Questions?

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