

# DENALI COMMISSION

## FY25 DRAFT WORK PLAN DISCUSSION

via Microsoft Teams  
Anchorage, Alaska

**April 8, 2024**

### MINUTES

#### PRESENT:

##### **Commissioners Present**

Jocelyn Fenton, Interim Federal Co-Chair  
Micaela Fowler, State Co-Chair  
Alicia Amberg  
Joelle Hall  
Julie Kitka  
Nils Andreassen  
Pat Pitney

##### **Staff/Others Present**

Katy Conway, Program Manager  
Janet Davis, Grants Officer  
April Ferguson, AFN Navigator Program  
Liza Mack, Program Manager  
Nikki Navio, Program Manager  
Erik Obrien, Program Manager  
Kristin Reardon, Program Manager  
Anne Stanislowski, Administrative Officer  
John Whittington, General Counsel  
Betty Caudle, Kron Associates

#### **CALL TO ORDER**

Interim Federal Co-Chair Jocelyn Fenton called the meeting to order at 9:02 a.m. A quorum was established.

## **FY25 DRAFT WORK PLAN -- Interim Federal Co-Chair Jocelyn Fenton**

Interim Federal Co-Chair Fenton stated the Plan is very similar to prior years, and she was looking for feedback from the Commissioners. Nils Andreassen brought up some great questions on input and some of the metrics collected from previous funding opportunities and partnerships and how they feed into the work plan. From a high level, some of that information was used in making modifications to the plan. In FY22, our response and requests applications to our funding opportunity announcement for community buildings fed into that next year of programming.

During FY23, we opened up some of our funding available for community buildings, which we're seeing as big community needs, across the state. The change to FY25 is in line with last year's plan, though there's a little extra funding for village infrastructure protection, funding for which has been allocated from our five-year plan previously approved in the Infrastructure Investment and Jobs Act (IIJA). We have a five-year overarching plan for funding that feeds into energy, village infrastructure protection, workforce development, and then the \$10 million per year generic infrastructure pot.

Going through the process of our congressional budget justification, we are highlighting needs and successes that we've had. We have a lot of focus on transportation due to appetite for transferring federal highway monies to the Denali Commission. We are also working and focusing on climate adaptation and infrastructure protection, with huge needs in the energy department.

Interim Federal Co-Chair Fenton then opened the floor to questions and discussion.

**Railbelt Intertie** - Ms. Joelle Hall stated relating to railbelt interties, the Grid Resilience and Innovation Partnership (GRIP) funding and the modernization of what's happening on the railbelt, Ms. Hall asked what, if any and when, if ever, do these intertie systems connect, and then how does that work? We have pressure to modernize our existing redundant systems, so wondering what the relationship is between that and what we're funding here. Where is the nexus?

Interim Federal Co-Chair Fenton responded we have a couple innovative projects, one focusing on how we can have a more resilient grid and connection to more of our Railbelt system. With the University, Katie may be able to speak to the more urban project and possible connectivity to rural Alaska.

Ms. Hall stated that she didn't think the Railbelt intertie would intersect directly with any of our projects or energy program at the Commission. If after it is finished it has an impact on the rate we pay in the Railbelt, it could affect the Power Cost Equalization (PCE) calculation, which in turn could affect rural Alaska. She thinks the intertie project is absolutely needed and is glad the state secured so much funding and it's happening. But it doesn't relate directly to our programs. Avec has a short list of interties they're hoping to move forward. A \$53 million Department of Energy (DOE) Office of Clean Energy Demonstrations (OCED) project in northwest Arctic Borough was announced recently. We are helping with a different part of the project by contributing a little bit of match. Ms. Hall added that through the Commission's redundant

power supply unit (RPSU) program, if a necessary intertie project arises, it's eligible for funding under the RPSU project. She mentioned the University is currently doing a study on pan Arctic interconnectivity and whether or not a risk mitigation strategy for building resilience and security across the entire Arctic makes economic and technical sense. Results of the study have not been released. Interim Federal Co-Chair Fenton added most of our programs interconnect in some way to all of these other programs. Denali Commission funding has been ideal for starting projects for larger partner agency funding or gap funding at the end.

**MOTION:** Commissioner Julie Kitka moved for the Denali Commission to approve the Fiscal Year 2025 (FY25) Draft Work Plan.

**SECONDED:** Commissioner Nils Andreassen seconded the motion.

Interim Federal Co-Chair Fenton opened the discussion.

**\$10 Million Infrastructure Pot** -- Commissioner Andreassen asked where in the plan, specifically, can the allocated \$10 million be found. Interim Federal Co-Chair Fenton explained the \$10 million infrastructure pot is from the previously approved five-year work plan. It does not appear in the yearly plans but can be found on our website, under work plans, in that separate five-year plan.

Commissioner Pitney suggested having another box in the FY25 Work Plan that shows the 5-year work plan, so it is visible. For example, here the funding allocated, here is what has been spent and/or here is what's available. Interim Federal Co-Chair Fenton stated that while she may not insert a table for the federal register because it would be too confusing for the Department of Commerce (DOC), but the table could be put together for internal use.

Commissioner Kitka suggested putting those categories at the front of the plan, without dollar amounts so it would capture workforce development and urgency funding clearly. Commissioner Andreassen believes these need to be added to our annual discussions to think about these line items, whether we should allocate other funding to them. Also, should these items be part of regular discussions, to ensure we have this fund broken down appropriately. Also, federally funded programs are currently covering some of these items really well, whereas for other items, there is very little money available. We should keep that in mind. Would like to offer just how important these funds might be for non-federal match where it's applicable to be used that way. These dollars could be maximized in important ways if we are thinking about them as tied to federal awards that need non-federal match.

**Health And Wellness** -- Commissioner Andreassen stated that last year there was a health and wellness line item, and applications of \$34 million. He doesn't see health and wellness in this year's work plan. Interim Federal Co-Chair Fenton answered that in the draft plan, health and wellness have been moved under the Community Facilities heading.

**Transportation** -- Commissioner Andreassen noted that last year we received applications for waterfront for \$24 million, and for surface, it was \$22 million. Would love to see better parity between those two line items. Interim Federal Co-Chair Fenton responded that we're having

discussions with the House Committee on Transportation Infrastructure and the Senate Appropriations Committee about this. We can also reach out to the Federal Highway Administration (FHA), who the money really comes down from, and advocate for better parity between those two programs. We can't really do a whole lot, as it's background work.

Commissioner Andreassen asked if we have programmatic restrictions on that column. Ms. Hall questioned whether we have the same flexibility under that line as you do under Community Facilities. Interim Federal Co-Chair Fenton explained we do not have the flexibility as this is coming from Transportation and Housing and Urban Development (HUD) funding and they dictate how much goes to each waterfront and surface improvements.

**Funding History** -- Interim Federal Co-Chair Jocelyn Fenton stated, as background, a lot of our early funding--mid-2000's--came from Health Services and Services Administration (HRSA), which she wants to push for again. HRSA has some agreements with northern borders for updating technology and some small construction upgrades to clinics. We need upgrades to clinics, and it would be great to get back into some of those health program allocations and have some success on that.

Commissioner Kitka suggested one area to investigate is beefing up cybersecurity because feds are now requiring certification and expertise. We should consider allocating resources to meet federal standards on cybersecurity, as proactive compliance action.

In making our pitch for future funding, it's important for Denali Commission to identify streams of revenue that come into Denali Commission because all those that have been streams of revenue could be the ones additional resources could be put into. We also need a document that says success, detailing successes, pushing out the metrics of how valuable Denali Commission is and what it has contributed. Commissioners should be involved in discussing any proposed amendments to the Denali Commission, and that should be a regular part of our information flow.

Interim Federal Co-Chair Fenton agreed. In addition to being reauthorized for \$35 million, the top two changes to the reauthorization language are our match requirement for Tribes, which is down to 10%, and they're adding a housing program authorization with capability for loans.

Commissioner Kitka stated that reauthorization is a big thing, and the Commissioners need to be included in the discussion because we may have issues we would like to add, either technical changes or possibly major changes.

Commissioner Pitney asked about the timing of the reauthorization. Mr. Whittington explained it is a rider on the Economic Development Agency (EDA) reauthorization and it will come down to Congress's availability. If it is passed by the Senate, then the House then must take it up as well. No one had an answer on their willingness to tackle EDA's reauthorization. Commissioner Kitka stated she would try to find that answer for us but would assume we would have a few months.

Commissioner Pitney suggested that in a month, the Commissioners take an hour or so to go through this reauthorization process. Commissioner Kitka added we should include scheduling a

request for a discussion between the Commissioners and our congressional delegation on reauthorization, cybersecurity, technology changes, AI and so forth. We need discussions on how we upgrade some of the things we do, and reauthorization is a perfect time to put in little components that help that along.

**Table Of Transfers** -- Interim Federal Co-Chair Fenton stated that last year, we received over \$24 million in leftover funding from interagency agreements. Biggest win was Bureau of Indian Affairs energy funding coming to Alaska, which opens the door for other partnerships and projects. We're looking to put other inter-agency agreements in place to scoop up year-end money.

**Congressional Budget Justification** -- Interim Federal Co-Chair Fenton shared that we are briefing Senate Appropriations, House Transportation, and Infrastructure Committee on our budget justification. The State of Alaska legislature sent us \$5 million last year to apply as non-federal match to other federal programs. We went through a competitive process with a recommendation of 14 projects and those projects are leveraging \$70 million in other federal funds through those projects. We provided the state legislature with a briefing on how that program went, and they are considering sending us another chunk of funds for non-federal match to other federal programs. They're looking at the range of \$10 to \$20 million. And then they also requested additional information on our housing program in case there's some need there that we can help implement using the state dollars.

Commissioner Hall asked if there has ever been a "crosswalk" done about what each regional group has the capacity and the authorization to do. Are there other places inside this reauthorization where we should seek to enhance our standing, compared to what other commissions have been able to do? Just wondering about that kind of nationwide crosswalk has been done about the rules. Interim Federal Co-Chair Fenton agreed we can look into what it would take to do so.

Commissioner Kitka volunteered Alaska Federation of Natives (AFN) staff to take care of this compare and contrast. We have someone tracking this information and who also has been talking to Ms. Gayle Manchin, wife of West Virginia's Senator Joe Manchin, and on the Appalachian Commission. We'll take that on for the next meeting to see if we can put together an idea to see things that are unique to Alaska versus those that are unique to them. Then, if the Commissioners want something more formal, we can pull that together.

**Other Coordination the Commission is Involved With** - Interim Federal Co-Chair Fenton stated that the Denali Commission is a member participant in the following committees:

**Arctic Executive Steering Committee (AESC)**

- Arctic Resilience Working Group (ARWG) is under the AESC. We've been asked to co-chair the working group. It's a monthly call of mostly federal entities, focused on some of the climate adaptation needs in Alaska and the Arctic.
- Northern Bering Sea Climate Resilience Area (NBSCRA) Intergovernmental Task Force is under the AESC. This group is looking at some of the salmon issues in the YK region and how the federal government can support it.

### **National Strategy for the Arctic Region**

- Denali Commission is named in quite a few different implementation areas to help with coordination of housing and economic development with a focus on resilience of Arctic communities. Strong communities equal a stronger Alaska and Arctic. A stronger Alaska equals stronger security force.

**Commissioner Kitka called the question on the motion to approve the FY25 Work Plan.**

**VOTE:** Motion passed unanimously.

It was noted that the FY25 Work Plan will be posted to the Denali Commission's website.

### **COMMISSIONER'S COMMENTS**

Commissioner Hall expressed a wish to look at workforce development money received from other commissions to figure out how left-over training dollars can be allocated to the state.

Commissioner Kitka believes this particular year end could be a huge opportunity to move money because people are concerned with claw backs after the presidential election. This could be another topic of discussion to have with our congressional delegation along with the reauthorization.

### **ADJOURNMENT**

Without any further business to discuss, Interim Federal Co-Chair Fenton adjourned the meeting at 9:48 a.m.