

Minutes  
**Governor's Transportation Funding Task Force**  
Meeting  
October 8, 2009  
9:00 AM – 4:00 PM  
Joe R Williams Building, Conference Room  
Boise, ID

Members Present: Chairman Brad Little; Senator Edgar Malepeai; Senator Bert Brackett; Senator John McGee; Senator Chuck Winder; Senator Shawn Keough; Representative Bill Killen; Representative Leon Smith; Representative JoAn Wood; Representative Dennis Lake; Representative Marv Hagedorn; Gordon Cruickshank, Valley County Commissioner; Jim Kempton, President, Idaho Public Utilities Commission; Darrell Manning, Idaho Transportation Board Chairman; Jim Riley, President, Intermountain Forest Association; Mark Bowen, CH2M Hill and Past Chair, Boise Metro Chamber of Commerce.

Guest Speakers: Tom Cole, Chief Engineer, ITD; Lance Holmstrom, Administrator, Local Highway Technical Assistance Council (LHTAC); Heather Wheeler, Executive Director, Community Transportation Association of Idaho (CTAI); Chris Haechrel, President/Owner, Treasure Valley Litho, Jeff Williams, CEO, Glanbia Foods; Don Dietrich, Director, Department of Commerce.

Others Present were: David Hensley, Dustin Kuck, Amy Wernsing, Governor's Office; John Bechtez, City of Wilder; Doug Benzon, Bob Thompson, Loren Thomas, Dave Tolman, Matt Farrar, Mollie McCarty, Linda Emry, Lorraine Dennis, Sue Higgins, Randy Kyrias, Jeff Stratten, Rik Hinton, ITD; Zach Hauge, Capitol West; Dave Carlson, AAA; Martin Bilbao, Connolly, Smyser; Jenn Connor, Red Sky; Brent Olmstern, Milk Producers; Kristin McGee, CTAI; Lana Glen, URS; Stuart Davis, Idaho Association of Highway Districts; Matt Stoll, COMPASS; Tony Poinelli, Idaho Association of Counties; Dan Sharilla, LHTAC; Benjamin Davenport, Risch Pisca; Roger Brown, Division of Financial Management; Keith Bybee, Legislative Services Office; Skip Smyser, Lobby Idaho; Dennis Tanikuni, Idaho Farm Bureau; Karen Doherty, HDR Engineering; Jerry Deckard, Capitol West; Justin Ruen, Association of Idaho Cities; Dennis Campo, IPM Campo Oil Co.; Kim Steinberg, SILC; Sally Goodell, ACHD; Steve Waldinger, Forsgren Associates; Rakesh Mohan, Office of Performance Evaluation; Pat Armstrong, Idaho Sand and Gravel; Jane Wittiger, Wittiger and Associates; Colby Cameron, Sullivan & Reberger; Ray Stark, Boise Metro Chamber; Charlie Rountree; Bibiana Nertney, Department of Commerce; Representative Phylis King.

NOTE: All presentations are accessible on the Governor's Task Force Website at [www.itd.idaho.gov/taskforce](http://www.itd.idaho.gov/taskforce)

**Chairman Brad Little** called the meeting to order at 9:05, welcomed everyone and explained the documents in the notebooks for task force members. **Chairman Little** then welcomed ITD Chief Engineer **Tom Cole** and LHTAC Administrator **Lance Holmstrom** and encouraged task force members to ask questions.

**Tom Cole** introduced himself and outlined that his presentation would discuss the needs and conditions of the current transportation system as well as the effect the economy has on transportation.

**Lance Holmstrom** introduced himself and his purpose to discuss local transportation needs. He explained how the presentation merged local and state transportation issues. **Lance Holmstrom** read a statement requested by the Metropolitan Planning Organizations (MPO's) that the information and analysis in the presentation are not representative of Kootenai County, Ada County, Canyon County, Pocatello, Idaho Falls, Lewiston and Clarkston regarding congestion. **Mr. Holmstrom** went on to say that LHTAC's goal is to provide local highway jurisdictions with the best tools on limited resources.

**Tom Cole** explained how a driver's perception of the transportation system depends upon their experience and what they have been told<sup>1</sup>. **Tom Cole** continued to describe Idaho's highway needs, and gave the example that nearly 50% of Idaho's bridges will reach their 50 year design over the next few years<sup>2</sup>. **Lance Holmstrom** added that spring run-off causes havoc and creates more demand than the emergency fund can provide.

**Senator Winder** asked if both state and local departments define a bridge the same and what that definition is.

**Lance Holmstrom** responded yes, and the definition is twenty feet or greater.

**Tom Cole** and **Lance Holmstrom** explained how many miles Idaho has of state and local roads<sup>3</sup>

**Lance Holmstrom** added that most of Idaho lives on local roads, and the state and local system cannot live without each other.

**Tom Cole** explained the state's bridge statistics and mentioned that the Dover Bridge was 72 years when restoration began, and if the Goff bridge had a restriction on it the detour route is an excessive 400 miles<sup>4</sup>.

**Lance Holmstrom** explained the local bridge statistics and added that the local challenge is to maintain and restore bridges because the cost is high<sup>5</sup>.

**Representative Smith** asked at the local level what part or role does the state play in the inspection and maintenance of local bridges?

**Lance Holmstrom** responded that ITD maintains an inspection program that includes all officially classified bridges that consists of the same analysis, numbers, and two year cycle of inspection.

**Representative Wood** stated that she and the Governor looked at the Twin Bridge, and she wanted to know what the department said they needed to do to help.

**Lance Holmstrom** responded that there was a request submitted to us to use some of the emergency funds which was a temporary stop gap measure until a conclusion was reached.

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<sup>1</sup> See System Needs Presentation slide 2 <http://itd.idaho.gov/taskforce/>

<sup>2</sup> See System Needs Presentation slide 3 <http://itd.idaho.gov/taskforce/>

<sup>3</sup> See System Needs Presentation slides 4-5 <http://itd.idaho.gov/taskforce/>

<sup>4</sup> See System Needs Presentation slide 6 <http://itd.idaho.gov/taskforce/>

<sup>5</sup> See System Needs Presentation slide 7 <http://itd.idaho.gov/taskforce/>

**Matt Farrar** stated that the condition of the Twin Bridge is because the channel has shifted and caused embankment to wash away. The bridge's safety is not in jeopardy, but riprap needs to be added above it to stabilize the bridge.

**Representative Wood** asked if we need the federal engineers to riprap the bridge and obtain permits.

**Matt Farrar** responded and said in order to riprap we do need some permits and he is not sure where that process stands right now and what needs to be done to stabilize the bridge.

**Lance Holmstrom** also responded and pointed out that the cost of temporary stop gap and the permanent measure are not mutually exclusive and is approximately \$800,000. He added that they are still looking for remaining funds and are working with some other federal agencies.

**Representative Wood** wanted to point out that dealing with other agencies is one of the problems ITD deals with.

**Chairman Little** asked in regards to the department budget; renovation, maintenance, and operations is bridge safety and inspections considered part of operations?

**Tom Cole** acknowledged that Chairman little is correct. Inspections are not a federal program and it comes from ITD's budget. He added that reconstruction using emergency funds cannot add capacity, and adding additional length to the bridge would have to come out of normal funding.

**Chairman Little** asked Tom Cole if you would have had the additional funding at the time to add length to the bridge this wouldn't not be an issue at this time. **Tom Cole** said the Chairman was correct.

**Tom Cole** explained that Idaho is the fourth fastest growing state in the nation. A company that wants to expand looks first at space and second at transportation. Expansion places an enormous burden on the transportation system.

**Lance Holmstrom** added that since 1996 there were approximately 3000 new roads to accommodate growth.

**Representative Hagedorn** asked if we have methodology to measure congestion and poor road condition.

**Tom Cole** responded and said that we have studies that have been done regarding condition, roughness, cost of delays, and user delays. Tom added that we don't necessarily internally conduct the studies, but rely on outside sources for that information.

**Representative Hagedorn** commented that transportation has an economic value and a reduction in transportation reduces the economic value. How can we measure what that delta is, the value associated with congestions, and what is the cost to the state compared to the loss in economic value.

**Lance Holmstrom** explained that there are opportunity costs to all of us. The Federal Highway Administration has put together methodologies that can be used to measure the cost of idling and multiply that number by the amount of vehicles you can understand the opportunity cost associated with time and people who are in delayed in cars.

**Tom Cole** explained how many people per lane mile Idaho has compared to other states<sup>6</sup>. **Mr. Cole** clarified that there is high concentration of people per mile in certain areas, but Idaho is a rural state which makes it difficult for us to develop revenue for maintenance. Those areas that are densely concentrated will not survive without the local system.

**Tom Cole** and **Lance Holmstrom** continued the presentation and stressed the importance of acknowledging hard times, but also acknowledging how the transportation system gets the market going. Transportation allows manufacturing access to specialized sources of labor, ensuring a customer base, breaking isolation, and boosting unemployment.

The transportation system's priorities are 1. Operation 2. Preservation 3. Restoration 4. Expansion. When the system is unable to fund all the priorities, funding goes to the most important.

**Lance Holmstrom** added the local system involves the maintenance of gravel roads to provide access to agriculture, recreation, natural resources, and residents. The local systems dwarf what ITD has.

**Tom Cole** described Operations as snowplowing, striping, patching potholes, signal and sign repair, crack sealing, guard rail repair, and grading gravel. **Tom Cole** added that most of the state system is a hard surface, while the local system has a lot of gravel.

**Representative Lake** asked what the difference is between operations on gravel and paved.

**Lance Holmstrom** explained that gravel roads still must be plowed while paved roads have some other options.

**Gordon Cruickshank** added that if gravel roads are not frozen solid you may need to plow slower causing more trouble and taking more time.

**Chairman Little** asked to have the cost difference between paved and gravel roads on paper. **Chairman Little** mentioned that the Governor asked if the state needs to convert to paved roads. **Lance Holmstrom** mentioned that there is not much difference in cost.

**Tom Cole** added that winter maintenance is the most expensive. Locating and placing front end loaders are strategic and can be used for summertime maintenance opportunities. **Tom Cole** also explained the Buy Back program with front end loaders and explained how much money the program is saving Idaho. **Lance Holmstrom** commented that local jurisdictions spend 20% of their budget on snow removal.

**Tom Cole** and **Lance Holmstrom** explained Preservation and if we can encourage folks to fix good roads we save money on reconstruction costs. They continued to explain that Restoration is the cost to restore the surface of the road, it improves the road, and it does not add or widen roads

**Tom Cole** and **Lance Holmstrom** showed the video *Cost to Rebuild*<sup>7</sup>

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<sup>6</sup> See System Needs Presentation slide 10 <http://itd.idaho.gov/taskforce/>

<sup>7</sup> See System Needs Presentation slide 17 <http://itd.idaho.gov/taskforce/>

**Tom Cole** and **Lance Holmstrom** described a chart outlining the *Lifecycle and Maintenance of Asphalt Pavement*<sup>8</sup>

**Mr. Cruickshank** asked if the chart is based on constant daily traffic load or does it include the addition of people moving to Idaho.

**Tom Cole** responded that there are lots of statistics on what has happened including a prediction over twenty years of growth.

**Senator Winder** asked why the department has adopted the “worst- first” method?

**Tom Cole** answered the department is forced into the “worst-first” method and we are doing the best we can with the amount of revenue we have.

**Jim Riley** asked if the analysis procedures are standardized.

**Lance Holmstrom** answered and said that nearly 90% of local system that has been evaluated and has systems in place with consistent methodology. ITD was able to collect data and tell us what the local condition of pavement was. **Lance Holmstrom** added that when everyone participates we have better data. Not all local systems have planners and engineers, but we are trying to share procedures in the most cost effective way we can.

**Tom Cole** thanked the legislature for purchasing a management system.

**Mr. Bowen** asked if the managing system will allow the department to quantify resources. **Tom Cole** answered and said it will do exactly that if the money was available.

**Chairman Little** asked when these systems will be running?

**Tom Cole** responded and said ITD hopes to have a bidder by the end of the year so it will be running in early calendar year 2011.

**Lance Holmstrom** continued the presentation and explained if the department can keep up on the maintenance on a road before the quality goes below fair, it can be a longer lasting road. The local jurisdictions need assistance in figuring the precise measurements and maintenance needed<sup>9</sup>.

**Tom Cole** explained both major and minor Expansion.

**Senator Winder** questioned why traffic signal interconnects is under expansion at the lowest priority.

**Tom Cole** agreed that traffic signal inter connects should have a higher priority but it is very expensive.

**Mr. Cole** continued the presentation with an explanation of State and Local pavement and bridges<sup>10</sup> and explained scenario one is maintaining what we have now.

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<sup>8</sup> See System Needs Presentation slide 18 <http://itd.idaho.gov/taskforce/>

<sup>9</sup> See System Needs Presentation slide 19 <http://itd.idaho.gov/taskforce/>

<sup>10</sup> See System Needs Presentation slide 27 <http://itd.idaho.gov/taskforce/>

**Lance Holmstrom** explained slides 32 through 35 and illustrated that without additional funding pavement and bridge condition will continue down into the red zone faster and faster<sup>11</sup>.

**Representative Killen** pointed out that LHTAC's Idaho Local Highway Financial Needs Summary brochure shows a 10% increase in millage over the last 10 years, and asked if the system is growing aren't these needs going to accelerate even more?

**Tom Cole** responded and said that he can get those numbers.

**Representative Killen** added that the state is also adding lane miles to the actual system. **Tom Cole** answered that they do add miles and those can go up or down in any given year.

**Mr. Bowen** asked if there is a strategy for expansion, and the state's need for expansion.

**Tom Cole** agreed with **Mr. Bowen** and added that the delay to the user will increase, congestion will not be helped, and expansion will have to be addressed because it is directly related to safety.

**Chairman Little** asked if for the next taskforce meeting the numbers for the last 10 years what expansion have been done over operations, preservations, and maintenance with and without GARVEE.

**Senator Winder** commented that this taskforce has been asked to look at the needs of the future, and the first step of that process is to look at a projection and have a vision of what we've been asked to do.

**Representative Killen** added that these alternatives assume no change in the transportation paradigm and he doesn't want to over look any alternatives.

**Mr. Cruickshank** stated that the local systems have added 3,000 miles since 1996 which shouldn't take the place maintaining older roads and should be maintained at a reasonable cost. The new miles added aren't going to be the tough miles we need to restore today.

**Chairman Little** introduced **Ken Burgess** who presented the Community Transportation Association of Idaho and the Executive Director **Heather Wheeler**.

**Heather Wheeler** gave a presentation on CTAI's vision, mission, services, mobility, and local coordination planning<sup>12</sup>.

**Representative Hagedorn** asked if CTAI is the organization that would be able to help utilize assets in the public transportation system like school districts and identify the possible barriers.

**Heather Wheeler** answered as soon as CTAI can identify those barriers with school districts CTAI will do so.

**Chairman Little** introduced **Mark Bowen** to speak about transportation and business leaders.

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<sup>11</sup> See System Needs Presentation slides 32-35 <http://itd.idaho.gov/taskforce/>

<sup>12</sup> See Public Transportation Presentation slide 1-18 <http://itd.idaho.gov/taskforce/>

**Mr. Bowen** began talking to business leaders over a year ago and realized he needed to get out of the Treasure Valley and talk to business leaders. He posed these three questions to them;

1. Do you think that our transportation infrastructure is vital?
2. Do you think it's vital to the state economy?
3. If you agree, would be willing to participate to move the agenda forward?

**Mr. Bowen** was surprised by the energy behind the responses. Businesses strongly support moving our infrastructure forward for the next 20 years.

**Chairman Little** introduces **Chris Haechrel**, **Jeff Williams**, and Director **Don Dietrich**.

**Chris Haechrel** explained that mobility is a crucial for most businesses, and one of his biggest priorities is to get products to customers. His business uses four main modes of transportation including getting employees to and from work, sales force on the road, receiving of raw goods, and shipment of final product. **Mr. Haechrel's** business is dependent on quick and timely travel to the customer and back. The sales team must often plan deliveries different or consolidate deliveries to waste less time and keep costs down.

**Jeff Williams** began by mentioning how he was struck that the Governor called Idaho a merchant state, which means Idaho's small population relies on state exports. Idaho produces three times more milk than it consumes which makes good transportation essential for exportation. Freeways, roads, highways, and bridges are the key to our ability to be efficient and compete in a tough marketplace.

**Senator Winder** asked if **Mr. Williams** thought the dairy industry would survive.

**Jeff Williams** answered yes and commented that the industry needs to get rid of 5% production in the US in order for the market to turn around. Idaho's prices are very competitive.

**Representative Wood** asked if Jeff is having issues with the ports of entry.

**Jeff Williams** responded no, not to his knowledge. **Mr. Williams** wants to increase weight limits on trucks, and in order for Idaho to be competitive with other states weight limits on trucks should increase.

**Representative Hagedorn** commented that **Mr. William's** and **Mr. Haechrel** pay corporate sales tax, income tax, your employees pay taxes, sales tax. Would you be pro or con for general funds to ITD?

**Chris Haechrel** stated that the road system in place needs improvement. The roads are in the useable and functional, but whether that takes away from other areas **Mr. Haechrel** did not know.

**Don Dietrich** presented on the importance of transportation and economic infrastructure. Don went on to say if we don't have safe and reliable transportation, things are more expensive with fewer jobs. Rural communities pay the highest price for poor transportation. Our products compare and compete with others, but the difference to the buyer in the end is what it costs to get there. Transportation was the number one consideration in labor market. Businesses are considering our ability to move product in or out of the market. Idaho is well positioned geographically to tap markets, but the quality of road ways will make a difference in their decision.

**Mr. Cruickshank** asked why railroad service rated as low as it did in the labor market. **Don Dietrich** answered it surprised him as well.

**Chairman Little** added that the satisfaction rate with the railroad went up because the average miles per hour went up when the economy slowed down. **Chairmen Little** then introduced **Jim Kempton**, co-chairman on the Highway Cost Allocation Subcommittee with **Mark Bowen**.

**Mr. Kempton** explained that the Highway Cost Allocation Subcommittee was charged with reviewing the Request For Proposal (RFP) for obtaining a contractor to conduct a cost allocation study. The bid process is highly regulated by state law and administered through the Department of Purchasing (DOP). The subcommittee reviewed the RFP document and it was released today by DOP. Co-chairman Kempton explained the scope of work contained in the RFP, and stated the contract amount will not exceed \$200,000. The subcommittee made a slight change in how they were going to assess the qualification of performance over cost. He concluded by stating the task force will receive a formal briefing once the consultant is selected.

**Chairman Little** wants to discuss expansion at the next meeting, and look at information on what the department has done in the past.

**Senator Keough** wants to focus on error out perceptions. She noted that a number of agencies and highway districts that are after taking care of roads. **Senator Keough** wants to know what merging and consolidation would do. Would we as a whole state be better served to spread dollars to give to local jurisdictions that can do things less expensively? What can we do about the perception that we aren't being efficient with put tax dollars?

**Mark Bowen** added that he would like to revisit the issue of expansion and have a conversation about what the expansion component would look like because we can't ignore a zero investment in expansion.

**Senator Brackett** said it would be helpful to have a presentation on what other states are doing for transportation revenue.

The meeting was adjourned at 3:30PM.