

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

December 18, 2014

The Idaho Transportation Board met at 8:00 AM, on Thursday, December 18, 2014, at the Idaho Transportation Department in Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Lead Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

Jim Coleman, Vice Chairman – District 1, participated via teleconference.

Member Gagner said the Board Subcommittee on State Highway System Adjustments met yesterday to discuss US-2 and other streets in the City of Sandpoint. He made a motion to amend the agenda to add US-2/5th Avenue Reconfiguration and Sandpoint City Streets Relinquishment. Vice Chairman Coleman seconded the motion and it passed unopposed.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on November 13, 2014 as amended. Member Kempton seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

January 22, 2015 – Boise
February 24, 2015 – Boise
March 24-25, 2015 – Boise

Consent Items. Vice Chairman Coleman made a motion, seconded by Member Horsch, and passed unopposed to approve the following resolution:

RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-
ITB14-50 explanatory items that can be approved in one motion; and

WHEREAS, Idaho Transportation Board members have the prerogative to remove items from the consent calendar for questions or discussion.

NOW THEREFORE BE IT RESOLVED, that the Board approves the contract award.

1) The low bid on key #13820 – Natures Wood Duck Island Trail Restoration, District 3, was more than ten percent over the engineer's estimate, requiring justification. Two items account for the difference. The project is located in a challenging setting, so the contractor's mobilization bid was higher. The project sponsor, Ada County, did not have unit price information for the Special Provision for Restoration Seeding and Planting, which was also bid higher. It does not believe the bids on these two items are out of line, and recommends awarding the project. Low bidder: Granite Excavation Inc. - \$99,356.

Informational Items. 1) Proposed Legislation Changes – Commercial Learner's Permit Proposal. Minor changes were made to the proposed legislation related to commercial learner's permits.

2) Monthly Reporting of Federal Formula Program Funding for November. The Moving Ahead for Progress in the 21st

Century federal transportation act was extended through May 2015. The partial-year level of funding provides a prorated share of \$199 million with match; however, Idaho has authority to obligate \$55 million including match through December 11, 2014. Of the \$44.1 million available for the state highway system, \$30.4 million remains. Of the \$10.8 million for the other programs, such as Metropolitan Planning, Community Choices, Surface Transportation – Local Urban, Local Rural, and Surface Transportation Program – Transportation Management Area, about \$8 million remains to be expended.

3) Non-Construction Professional Service Contracts Issued by Business and Support Management (BSM). The BSM Section did not process any professional service agreements from November 1 to November 30.

4) Contract Awards. Key #12999 – FY16 District 2 Districtwide Sealcoat. Low bidder: Knife River Corporation - Northwest - \$1,521,000.

Key #13456 – I-84, FY15 District 3 Ramp Projects. Low bidder: Western Construction, Inc. - \$1,332,900.

Key #12046 – SH-55, Intersection Karcher and Middleton Roads, Nampa, District 3. Low bidder: C & A Paving Company, Inc. - \$3,816,691.

Key #12347 – I-84, FY15 District 3 Sign Upgrade. Low bidder: Pavement Markings Northwest, Inc. - \$159,936.

Key #13022 – I-84, FY15 District 3 Guardrail Upgrade. Low bidder: Northwest Guardrail LLC - \$135,767.

Key #12341 – I-84, FY15 District 3 Bridge Deck Life Extension. Low bidder: Braun-Jensen, Inc. - \$434,000.

Key #11694 – I-15, FY14 Closed Circuit Television Statewide, District 5. Low bidder: Mountain West Electric, Inc. - \$621,963.

Key #12425 – US-89, 3rd Street in Montpelier to Geneva, District 5. Low bidder: Intermountain Slurry Seal, Inc. - \$621,000.

Key #7508 – Cheyenne South Valley Connector, Pocatello, District 5. Low bidder: W W Clyde & Company - \$13,457,833.

Key #14035 – SH-31, Swan Valley to Victor, District 6. Low bidder: H-K Contractors, Inc. - \$741,778.

Keys #12470 and #12469 – US-93, Salmon City Streets and Rattlesnake Creek to Salmon, District 6. Low bidder: Western Construction, Inc. - \$3,607,778.

Key #13583 – Road and Bridge Guardrail, Madison County, District 6. Low bidder: Northwest Guardrail LLC - \$53,333.

5) Professional Services Agreements and Term Agreement Work Tasks Report. From October 27 through November 28, 26 new professional services agreements and work tasks were processed, totaling \$1,048,986. Six supplemental agreements to existing agreements were processed during this period in the amount of \$84,900.

6) Annual Outdoor Advertising Sign Report. At the close of federal FY14, there were 1,149 signs, with 7 illegal and 189 non-conforming signs throughout the state. There were six new sign applications during the fiscal year. Illegal signs do not comply with state and federal law and are to be removed. Non-conforming signs complied with law at one time, but due to a change in conditions or rules, lost their conforming status. Non-conforming signs are allowed to remain in place but cannot be improved.

Director's Report. Director Ness summarized activities from 2014. The main initiatives were an expanded culture survey, developing a horizontal career ladder, continued development on the leadership program, and improved cash

flow management and project funding. The survey results indicated improvements in the Department's effort to move towards a more humanistic and encouraging culture. The horizontal career ladder has been developed; however, it has not been implemented yet. The Leadership Summit and training continue to be the main activities related to developing employees. All of the construction projects were ready for advertising on time this year and future projects are being accelerated. Any savings realized on projects will be used for other projects.

Some of the past year's accomplishments consist of winning two American Association of State Highway and Transportation Officials' (AASHTO) awards, including Dennis Jensen as the recipient of the Alfred E. Johnson award for leadership; the innovative approach to replace the SH-55, Lardo Bridge in McCall; designating veterans' status on driver's licenses; the completion of the SH-16 extension to US-20/26; and the replacement of three I-84 interchanges, Meridian, Broadway, and Gowen, which is still underway.

Director Ness said the initiatives for 2015 are additional revenue, continue improving and becoming the best department of transportation, and employee development. In conclusion, he thanked the Board for its support and leadership and the employees for their efforts.

The Director's entire report can be viewed at <http://itd.idaho.gov/Board/report.htm>.

The Board expressed appreciation for Director Ness's efforts and the informative report.

Member Gagner said he attended the annual AASHTO conference last month. Some of the main topics of discussion were a vehicle miles traveled pilot study; performance measures; and educational efforts focusing on science, technology, engineering, and math. He noted that Idaho has an impact nationally, and with the director of the Wyoming Department of Transportation serving as the AASHTO president and Director Ness expected to be selected the Western Association of State Highway and Transportation Officials' president in 2015, western, rural states could have a significant influence on national transportation issues.

Delegation – Jerry Deckard, CapitolWest Policy Group. Mr. Deckard, representing the Associated Logging and Log Hauling Contractors of Idaho, presented legislative proposals. The modification to Idaho Code 49-102 adds a definition for agricultural products which includes forestry and forest products, logging of timber and timber harvesting. Modifications to 49-1001 remove the reference allowing single rear axle refuse/sanitation trucks transporting refuse to exceed the legal weight by 4,000 pounds on that single rear axle. Revisions to Idaho Code 49-1002 would allow for the steer axle tires to be governed by the manufacturer's load rating but not to exceed 20,000 pounds overall for the steer axle. Changes to Idaho Code 49-1011 allow refuse/sanitation trucks transporting refuse to exceed legal weight up to 2,000 pounds in excess of any axle, bridge or gross vehicle weight limits established in Idaho Code 49-1001.

Chairman Whitehead had some concerns related to the width of the tire and the axle rating. On changes to Idaho Code 49-1011, he suggested that logging trucks should be considered for the exemption, too. Mr. Deckard said he believes those concerns can be addressed in the legislation.

Chairman Whitehead thanked Mr. Deckard for the information and said the Board will revisit the legislative proposals next month.

Annual Local Rural Highway Investment Program (LRHIP) Report. Contracting Services Engineer (CSE) Monica Crider said the goal of LRHIP is to provide funding to the rural local highway jurisdictions for construction and planning efforts. It is a grant program with no federal-aid requirements. Funding in an amount not to exceed \$2.8 million annually is available to cities with less than 5,000 population, county road and bridge departments, and highway districts. The local highway jurisdiction must assess property tax or use substitute property tax as a funding mechanism for highways and bridges.

Local Highway Technical Assistance Council (LHTAC) Program Manager Laila Kral said there were 78 applications for funding in FY14, while only 36 projects were funded. Four types of projects are eligible for funding: construction, signs, transportation plans, and emergencies. Excluding emergency projects, \$2.4 million were awarded. She summarized a number of projects that were completed this past year throughout the state.

Chairman Whitehead thanked CSE Crider and Program Manager Kral for the report.

Jeff Miles reported that Lance Holmstrom resigned as the LHTAC Administrator. He is the interim administrator and will continue working closely with ITD.

Annual Freight Advisory Committee (FAC) Report. Mark Bathrick, Public Transportation Program Manager (PTPM), identified four components of the freight program: the FAC, outreach and economic development, engaging stakeholders in the Statewide Transportation Improvement Program (STIP) process, and an annual report and performance review. The FAC elected Winston Inouye as its chairman. It identified needs and responsibilities that would help ITD and explored the potential for a comprehensive statewide Freight Plan. One of the outreach activities will be to identify an industry stakeholder to address the Board when it visits each District next year. To engage in the STIP process, the FAC will review freight data and the STIP for potential corridors to focus on. PTPM Bathrick said a freight summit is being planned in 2015.

Chairman Whitehead thanked PTPM Bathrick for the informative report and for his efforts on this important program.

Financial Statements. Controller Dave Tolman presented the financial statement in a new format, including showing the activity year-to-date as compared to the prior year and as compared to the forecast or budget. Through October, the revenues are tracking close to the forecast and the expenditures are within the projected budgets. Revenues from the Highway Distribution Account (HDA) are ahead of the forecast by over 2%. State revenues to the State Aeronautics Fund are ahead of projections by about 4%. Expenditures are within planned budgets with the exception of the Facilities Program. Expenditures for that program were more than planned due to a timing difference between planned and actual expenditures plus encumbrances for building projects.

The Board expressed appreciation for the new format, which is an excellent summary of the Department's financial situation and identifies trends and concerns.

Presentation: Revenue Issues. Member Kempton said he has been working with staff on revenue-related issues, including the impacts of the buying power since the last fuel tax increase.

Controller Tolman said revenue from the HDA has grown about 10% since 1997, while the Department's total state funds, excluding the Buyback Program, increased about 27% in that time frame. The state's General Fund revenue increased about 100% since 1997. The HDA buying power has decreased approximately 25%. Other trends include annual vehicle miles traveled in Idaho increased 21% since 1997; passenger cars registered in Idaho are up 11%; the number of drivers' licenses in force grew 30%; the state's population increased by 33%; and the gallons of highway fuel consumed increased 17%.

Division of Engineering Services Administrator Blake Rindlisbacher said 85% of the Department's pavement is currently in good or fair condition. Based on current revenue projections, that will decrease to 76% in 2018. Today, almost 75% of the Department's bridges are in good condition. Because of the intent to focus on bridges, 75% are expected to be in good condition in 2018; however, that is below the goal of 80% in good condition.

Extensive discussion followed. Some of the comments related to concern with including good and fair pavement in the same category; the cost to meet the goal of 80% of bridges in good condition; and the prioritization of projects.

Member Kempton made a motion, seconded by Member Vassar, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board provided the Idaho Legislature with
ITB14-51 data that indicated an Idaho revenue shortfall from FY2005 – FY2035 of over \$200 million a year in state-wide capital improvement needs (not to include maintenance and operations) and recommended, in part, that the Wilbur Smith and Associates 1995 Idaho Transportation Needs Assessment Study Update be updated approximately every 10 years (2006 Forum on Transportation Investment); and

WHEREAS, the 2010 Governor's Task Force on Modernizing Transportation Funding in Idaho

recommended the following additional amounts (Scenario 1 and 2 survey averages) to currently existing revenue:

- \$155 million annually for operation, preservation and restoration of the state system,
- \$107 million annually for operation, preservation and restoration of the local system,
- \$207 million annually for capacity and safety enhancement for the state system, and
- \$74 million annually for capacity and safety enhancement for the local system; and

WHEREAS, no legislative actions were undertaken to significantly address recommendations of the Forum on Transportation Investment or the Governor's Task Force on Modernizing Transportation Funding in Idaho; and

WHEREAS, inflation effects and the drawdown of the Federal Highway Trust Fund now threaten to further destabilize the ability of the Idaho Transportation Department to maintain Idaho pavement conditions at the 82 percent "good and fair" level; and

WHEREAS, inflation effects and the drawdown of the Federal Highway Trust Fund now threaten to further destabilize the ability of the Department to return Idaho bridges from 75 percent "good" to the desired standard of 80 percent good; and

WHEREAS, the purchasing power of Federal funding is now the same as it was in FY2000 while both pavement miles and the number of Idaho registered vehicles have increased; and

WHEREAS, the number of fuel efficient vehicles have increased, thereby reducing fuel tax revenues; and

WHEREAS, Department staff has prepared data and charts that portray the concerns of the Department and the Board.

NOW THEREFORE BE IT RESOLVED, that the Board approves the inclusion of data and charts presented to the Board on December 18, 2014, together with explanatory language to clarify any concerns or ambiguities addressed by the Board, as an addendum to the Director's report at the 2015 joint session of the House and Senate Transportation committees; and

BE IT FUTHER RESOLVED, that following presentation to the House and Senate Transportation committees, staff findings will be released to all legislators and the general public through newspaper and radio media.

Vice Chairman Coleman believes the Department's total funding should be reflected in the information, including GARVEE. The GARVEE Program shows the benefits of additional revenue, as indicated by the improved pavements and replaced structures. It is also an indication that ITD can manage additional revenue. Member Kempton does not believe the Governor's Task Force on Modernizing Transportation Funding included information on the GARVEE Program.

In response to Member Gagner's question on utilizing additional revenue for bridges or pavement, Controller Tolman responded that the intent of the Task Force was to provide additional funding for bridges, pavement, and operations.

Member Kempton added that the intent is for staff to refine the charts as needed, add explanatory language, and keep the Board informed of the status of the charts and any changes recommended.

The motion passed unopposed.

Policy Introduction. Executive Assistant to the Board Higgins presented a draft policy on resolutions. The main intent is to establish the life of resolutions. Resolutions will be in effect for four years or until the subject matter of the resolution is completed, whichever occurs first. If the specified action has not been completed within four years, the

action or direction contained in the resolution becomes null and void unless renewed by the Board.

Without objection, the Board concurred with Board Policy 4078 Board Resolutions.

Division of Engineering Products and Plans Administrator (DEPPA) Dave Jones proposed changes to Administrative Policy 5532 Commercial Driver's License Requirement, formerly A-05-02, including re-formatting, eliminating references to volunteer snowplow drivers, and clarifying language related to employees' requirements for a commercial driver's license.

Without objection, the Board concurred with proposed revisions to 5532 Commercial Driver's License Requirement.

DEPPA Jones recommended deleting Administrative Policy A-05-39, Use of Inmate Labor. He does not believe the policy is needed because of operational changes that have been implemented. Additionally, parts of this policy are addressed in another policy on agreements or in the Maintenance Manual.

Without objection the Board concurred with deleting A-05-39, Use of Inmate Labor.

DEPPA Jones recommended deleting Administrative Policy A-15-01, Damaged Structures because a new Board policy addresses funding damaged structures and the language in the administrative policy is more appropriate for the Maintenance Manual.

Without objection, the Board concurred with deleting A-15-01, Damaged Structures.

DEPPA Jones proposed deleting Administrative Policy A-15-02, Seal Coat Application and Bituminous Treatment on Bridges. The procedures outlined in the policy have been institutionalized and the language would be more appropriate for a manual.

Without objection, the Board concurred with deleting A-15-02, Seal Coat Application and Bituminous Treatment on Bridges.

Executive Session on Legal Issues. Member Gagner made a motion to meet in executive session at 11:15 AM to discuss legal issues as authorized in Idaho Code Section 67-2345(f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

Discussions were held on legal matters.

The Board came out of executive session at 12:30 PM.

Informal Luncheon with the Trucking Advisory Council (TAC). The Board visited informally with the TAC members during lunch. Some of the topics of discussion were interstate speed limits, 129,000 pound truck routes, and transportation revenue.

TAC Annual Report and Membership Extension. TAC Chairman Bill Moad expressed appreciation for the 129,000 pound truck route legislation as it is providing an economic benefit. He expressed appreciation for the Department's efforts to keep the highways safe and to the Transportation Coalition for its efforts to address the shortfall in transportation funding. He believes an educational component on the need for additional revenue is needed. TAC Chairman Moad requested the TAC be informed of any legislative proposals that impact the trucking industry. He also stated that one of the challenges is the truck driver shortage.

Chairman Whitehead thanked Mr. Moad for the report and for his service as the TAC Chairman.

Motor Vehicle Administrator (MVA) Alan Frew recommended reappointing Member Kevin Iversen to the TAC, representing District 4, through December 31, 2017. With the appointment of District 6 Member John Pocock to TAC chairman and District 1 Member Jack Buell declining another three-year appointment, MVA Frew said staff will solicit

interested stakeholders to fill those two vacancies.

Member Vassar made a motion, seconded by Member DeLorenzo, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board's Trucking Advisory Council (TAC)
ITB14-52 exists as an important tool to provide the Idaho Transportation Department with valuable information regarding trucking and freight issues; and

WHEREAS, the Department recognizes the ongoing need to stay involved with the Idaho trucking industry as partners in highway transport, safety, operations, and freight management; and

WHEREAS, the Board has authority to establish length of terms for TAC appointees.

NOW THEREFORE BE IT RESOLVED, that the Board accepts newly elected TAC Chairman John Pocock and the recommendations of the Motor Vehicle Administrator and TAC Chairman to extend the length of term of District 4 Member Kevin Iversen to December 31, 2017; and

BE IT FURTHER RESOLVED, that the Board and the TAC convey their gratitude to outgoing TAC Chairman Bill Moad and District 1 Member Jack Buell for their contributions to the success of this important Council; and

BE IT FURTHER RESOLVED, that the Board directs the Motor Vehicle Administrator to solicit and accept recommendations for the member vacancies in District 1 and District 6 for future Board consideration and approval; and

BE IT FURTHER RESOLVED, that the Board directs staff to provide the necessary administrative support to the Trucking Advisory Council for the efficient and timely disposition of its duties to the Board.

US-2/5th Avenue Reconfiguration and Sandpoint City Streets Relinquishment, District 1. District 1 Engineer (DE) Damon Allen said a public hearing was held in Sandpoint on the potential relinquishment of Superior Street, Pine Street, Cedar Street, and 1st Avenue to the appropriate local jurisdiction. Information on the operational changes to 5th Avenue (US-2) was also provided at the hearing. Some of the operational changes to 5th Avenue include converting it to a two-way street; eliminating on-street parking; traffic signal changes; and prohibiting some left turns. The project is estimated to cost \$2.5 million, including acquiring right-of-way and easements, with construction expected in 2016. There were 131 attendees at the public hearing. Of the 88 comments received, 72% were in favor of the proposal, 13% opposed the project, and the remainder was neutral.

DE Allen said the Board Subcommittee on State Highway System Adjustments approved a motion at its December 17 meeting to proceed with securing an agreement with the City of Sandpoint for these changes and then to relinquish the above city streets (which would be the former US-95 and US-2) to the City of Sandpoint via a quit claim deed.

Member Gagner complimented Vice Chairman Coleman, DE Allen, and DAG Allen for their involvement on this proposal.

The consensus of the Board was for staff to proceed with the operational changes on US-2 and the relinquishment of Superior Street, Pine Street, Cedar Street, and 1st Avenue to the City of Sandpoint.

Executive Session on Personnel Issues. Member Vassar made a motion to meet in executive session at 2:00 PM to discuss personnel issues as authorized in Idaho Code Section 67-2345(a) and (b). Member Horsch seconded the motion and it passed 6-0 by individual roll call vote.

Discussions were held on personnel matters.

The Board came out of executive session at 3:10 PM.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:10 PM.

signed
JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
January 22, 2015
Boise, Idaho