

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

March 19, 2014

The Idaho Transportation Board met at 8 AM, on Wednesday, March 19, 2014, at the Idaho Transportation Department in Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
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

Board Minutes. Member Gagner made a motion to approve the minutes of the regular Board meeting held on February 19, 2014 as submitted and the minutes of the special Board meeting held on March 7, 2014 as submitted. Member DeLorenzo seconded the motion and it passed unopposed.

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

April 16, 2014 – District 2
May 21-22, 2014 – District 5
June 18-19, 2014 – District 3

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

RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-
ITB14-06 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 adjustment to the Transit Program, adding three new projects and delaying one to FY14; the addition of Local, Elmira Road Railroad Crossing, Bonner County to FY14 of the Federal Rail Program; and the state institution road improvement project.

1) Adjust Transit Program: Add Three New Projects and Delay One to FY14. Due to the receipt of New Freedom Section Federal Transit Administration 5317 grants, three projects were requested to be added to the FY14 Transit Program: Transit, New Freedom Small Urban, Pocatello Regional Transit - \$172,126; Transit, New Freedom Small Urban, Valley Regional Transit (VRT) - \$148,000; and Transit, New Freedom Rural, VRT - \$22,400. The delay of key #11350, Transit, Boise State University Bus Maintenance Facility for \$108,000 to FY14 and amendments to the Statewide Transportation Improvement Program (STIP) were also requested.

2) Addition of Local, Elmira Road Railroad Crossing, Bonner County to FY14. Staff requested the addition of the Local, Elmira Road Railroad Crossing, Bonner County, District 1 project to FY14 of the Federal Rail Program for \$450,000 and to amend the STIP accordingly. The project will improve safety at the at-grade railroad crossing at the intersection of US-95 and Elmira Road by adding quad gates, lights, and advance warning signs. The project will be funded through savings.

3) State Institution Road Improvement Project. In accordance with Idaho Code 40-310(14), Board Policy 4045 State Institution Road Improvement provides \$30,000 for the construction, alteration or repair of roadways in, through, or around the grounds of state institutions. The Division of Public Works is requesting funds to patch, re-seal, and re-stripe various parking lots within the Capital Mall complex. The project also includes repair or replacement of some of the concrete approaches into the parking lots. The project is estimated to cost \$67,000; however, the Department of Administration will provide funding above the \$30,000 ITD grant. Governor Otter has approved this recommendation.

Informational Items. 1) Monthly Financial Statements. Net obligations through February totaled \$231.5 million. Of those obligations, \$226.8 million were for activities programmed for 2014. The Program estimated those activities at \$224.6 million. The net cumulative obligations exceeded the three-year average of \$147.1 million for the same period.

Through January, federal aid to the State Highway Fund totaled \$203.2 million year-to-date, or about 5% more than the same time period last year. Revenue from the Highway Distribution Account was right on year-to-date projections. Miscellaneous revenue and transfers in from the elimination of the ethanol exemption was \$1.3 million over the estimate. Personnel expenditures were 4.3% less than budgeted through January. Total expenditures, including encumbrances, for operations reflected a 15% positive variance. Capital equipment had a 12% negative variance, which is a timing difference in allotments versus contracts issued.

Aviation fuel tax revenue through January was 15.8% over projections. Miscellaneous revenue to the State Aeronautics Fund was 1% higher than projected. Billings for the state plane usage in January was not completed so this revenue should have been higher. Overall expenditures were less than budgeted.

2) Non-Construction Professional Service Contracts Issued by Business and Support Management (BSM). From February 1 to February 28, the BSM Section processed six new professional service agreements in the amount of \$105,897.

3) Contract Awards. Key #12346 – I-84, FY14 District 3 Sign Upgrades. Low bidder: Pavement Markings Northwest, Inc. - \$183,809.

The low bid on key #12405 – I-84, FY14 District 4 Bridge Deck Life Extension was more than ten percent over the engineer's estimate, requiring justification. The main difference between the engineer's estimate and low bid appears to be in the rock armor, special bridge remove concrete slope paving, and mobilization items. The cost of the slope protection was higher due to working in the railroad right-of-way, which also affected the cost of the rock armor and concrete slope pavement removal. The tight working conditions underneath the bridge also influenced the cost. The District does not believe re-advertising will result in better bids, so recommended awarding the contract. Low bidder: L & J Construction Group LLC - \$1,049,906.

Key #12871 – US-91, Tyhee Wasteway Canal Bridge, Bannock County, District 5. Low bidder: Mickelsen Construction Company, Inc. - \$264,940.

The low bid on key #13846 – I-84, Broadway Interchange to Gowen Interchange, Traffic Control, District 3, was more than ten percent over the engineer's estimate, requiring justification. Sixteen of the 21 bid items were significantly higher than the engineer's estimate. Only one bid was received. Staff recommended not awarding the contract. The traffic control items will be added back into their respective construction projects by change order or force account in order to avoid delaying the construction start date on the projects. Low bidder: Specialty Construction Supply, LLC - \$2,197,987.

4) Professional Services Agreements and Term Agreement Work Task Report. From February 3 through February 28, 38 new professional services agreements and work tasks were processed, totaling \$8,504,570. Six supplemental agreements to existing agreements were processed during this period in the amount of \$1,271,067.

5) Annual Report on Status of State-owned Dwellings. The report on the status of ITD-owned dwellings included the fair market rental value, rental status, and monthly rental fee. The Department owns 3 stick-framed houses, 11 manufactured homes, 4 manufactured bunkhouses, and 2 apartments at Johnson Creek and Cavanaugh Bay Air Strips,

plus 26 trailer pads, of which 13 currently have employee-owned manufactured housing on them. ITD also owns nine trailer pads and three houses at rest area locations around the state.

Director's Report. Director Ness said the Joint Finance and Appropriations Committee approved ITD's budget. No major changes from the Governor's recommendation were made with the exception of a change in employee compensation. He attended meetings with the Associated General Contractors (AGC) of Idaho and the American Association of State Highway and Transportation Officials' legislative briefing. He commended Division of Motor Vehicles' (DMV) staff for exemplary customer service and for improvements related to drivers' medical certification, as other states are inquiring about Idaho's process; District 4 and its partners for the award on a right-of-way survey project; the Equal Employment Opportunity Office for the assistance it provided to the City of Mountain Home; and the avalanche crew for its commendable efforts.

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

The Chief Executive Officers highlighted activities in their respective areas. DMV worked with the Commission for the Blind to ensure compliance with Idaho Code on the issuance of drivers' licenses. The new program to designate veterans' status on drivers' licenses is proceeding well and should be ready for implementation by November 10. The last GARVEE construction contract, I-84, Meridian Interchange, was awarded recently. Meetings were held with various partners, including the AGC and Local Highway Technical Assistance Council, enhancing those relationships. The four temperaments of behavior were introduced as part of the Leadership Development initiative. Employees have submitted a number of ideas for the Launch Innovate project.

Legislative Report. Government Affairs Manager (GAM) Mollie McCarty reported on various legislative activities. Legislation to address airport land use passed both chambers. The proposal to increase the maximum speed limit has been sent to the Governor. Legislation directing Cigarette Tax Moneys to pay a portion of the GARVEE debt service, approximately \$4.7 million per year through FY30, and possibly some for maintenance passed both chambers. A number of other revenue enhancement bills were not approved.

Chairman Whitehead thanked GAM McCarty for the report.

Employee Service Awards. The Board participated in the Employee Service Awards. Member DeLorenzo provided remarks on behalf of the Board.

Annual Report on Audits. Internal Review Manager (IRM) Carri Rosti and staff members presented the annual report on audits, including internal and external audits performed in 2013 and work planned for 2014. Some of the activities conducted last year included an audit of the Driver Services Section's internal controls and previous audit recommendations, an analysis of BSM's contracts and agreements process, an evaluation of the risks in the fuel management system, pre-award reviews of consultant agreements, a review of consultants' indirect cost rates, and a review of metropolitan planning organizations.

Some of the work planned in 2014 includes a construction project risk assessment, a follow-up to an earlier Aeronautics Division audit, a DMV Port of Entry risk assessment, review of consultants' overhead rates, and grant management training.

Chairman Whitehead thanked IRM Rosti and staff for the informative report.

Industry Request for Economic Hardship Waiver. Chief Operations Officer (COO) Jim Carpenter said Potlatch Corporation has requested an economic hardship temporary waiver as allowed in Administrative Rule 39.03.10, Governing When an Overlegal Permit is Required. The rule states that when a circumstance occurs in which an economic hardship is expected to result due to the application of existing rules or limitations, the Board may consider a petition for the temporary waiver of those rules or limitations which are perceived as being the cause of such economic hardship.

COO Carpenter said the legal width is 8 feet 6 inches for reducible loads. This inhibits the movement of lumber between

Potlatch Corporation's kiln and its new mill equipment. The new equipment was an investment to improve efficiency and competitiveness. The waiver would allow movement of lumber up to 9 feet 2 inches wide on SH-3 for approximately ½ mile. He recommends granting the waiver until June 30, 2015. During this time, staff would monitor the safety of these vehicles. It would report its findings to the Board in June 2015.

Potlatch Corporation representative Mike Fitzgerald provided history on Potlatch Corporation and elaborated on the business. Its operation in St. Maries employs about 300 people. He said the waiver would be very beneficial and would reduce truck traffic.

Member Gagner noted the waiver is being requested through June 2015. He asked for clarification if the waiver would need to be permanent. Mr. Fitzgerald indicated that Potlatch Corporation would request continuing the waiver after June 2015. Member Vassar questioned the temporariness of the waiver.

In response to Vice Chairman Coleman's question, Mr. Fitzgerald responded that the additional width would also increase the weight; however, the load would be within the legal weight requirements. In response to Member DeLorenzo's question on the number of trucks involved, Mr. Fitzgerald said he believes there would be about 30 round-trips daily.

Some members had additional, legal questions. The consensus was to revisit the item after the executive session.

Add Coeur d'Alene Lake Drive Corridor Master Plan to FY14 of the Board Unallocated Program. District 1 Engineer Damon Allen requested the addition of a Coeur d'Alene Lake Drive Corridor Master Plan to the State Board Unallocated Program for \$150,000. ITD has been working on transferring the ownership of Coeur d'Alene Lake Drive to the City of Coeur D'Alene. The City has requested a study of the future corridor. The master plan would capture and memorialize the purpose and intent of the road corridor for future opportunities to transfer ownership. The project scope includes meetings with local agencies and stakeholders to develop a draft Joint Powers Agreement that would outline future relinquishment of ITD's ownership, maintenance and operations of the corridor, and capture all stakeholders' comments, opportunities, and responsibilities.

Vice Chairman Coleman made a motion, seconded by Member Horsch, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB14-07 to publish and accomplish a current, realistic, and fiscally constrained five-year Idaho Transportation Investment Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal, state, local, and private capital investment funding; and

WHEREAS, the Board had set aside \$5 million of Board Unallocated funds in FY14 to use at the Board's discretion, of which approximately \$4.5 million is currently available; and

WHEREAS, the Coeur d'Alene City Council voted to reject the transfer of Coeur d'Alene Lake Drive, calling for more study of the future of the corridor; and

WHEREAS, District 1 requests \$150,000 in Board Unallocated funds to cover the cost of this project.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of the Local, Coeur d'Alene Lake Drive Corridor Master Plan, Kootenai County project to FY14 of the Board Unallocated Program for a total cost not to exceed \$150,000; and

BE IT FURTHER RESOLVED, that staff is authorized to amend the FY14–18 Statewide Transportation Improvement Program accordingly.

Policy Review. Chief Deputy Stokes noted Administrative Policy 5514 Decision Process for Funding Division of

Transportation Performance Public Transportation Projects, formerly A-28-03, was revised to address the appeals process for public transportation projects. The changes were presented to the Public Transportation Advisory Council. The Council voted to support the revisions; however, the decision was not unanimous.

Without objection, the Board concurred with revisions to Policy 5514 Decision Process for Funding Division of Transportation Performance Public Transportation Projects.

Policy Introduction. Motor Vehicles Administrator Alan Frew said a purpose statement and legal authority were added to Board Policy 4062 Port of Entry Program, formerly B-31-01. More substantive changes are proposed to the corresponding administrative policy, 5062. The following board and corresponding administrative policies are being recommended for deletion: B-31-02, Roving Port of Entry Program; B-31-03, Joint Ports of Entry; B-31-04, Commission of Department Employees as Peace Officers; B-31-05, Emergency Vehicle Operations; and B-31-06, Permit Vendors. Language in the administrative policies is either being incorporated into Administrative Policy 5062 Port of Entry Program or manuals.

Member Kempton made a motion to approve Board Policy 4062 Port of Entry Program. Member Vassar seconded the motion and it passed unopposed. Without objection, the Board concurred with revisions to 5062 Port of Entry Program.

Member Kempton made a motion to delete B-31-02, Roving Port of Entry Program. Member Vassar seconded the motion and it passed unopposed.

Member Kempton made a motion, seconded by Member Vassar, and passed unopposed to delete B-31-03, Joint Ports of Entry.

Member Kempton made a motion to delete B-31-04, Commission of Department Employees as Peace Officers. Member Vassar seconded the motion and it passed unanimously.

Member Kempton made a motion to delete B-31-05, Emergency Vehicle Operations. Member Vassar seconded the motion and it passed unopposed.

Member Kempton made a motion to delete B-31-06, Permit Vendors. Member Vassar seconded the motion and it passed unanimously.

Without objection, the Board concurred with deleting the administrative policies that correspond to the above deleted Board policies.

Vice Chairman Coleman made a motion to approve Board Policy 4063 129,000 Pound Vehicle Truck Routes. Member Gagner seconded the motion and it passed unopposed.

Administrative Policy Review. Employee Safety and Risk Management Manager Vic Parrish said the main changes to Administrative Policy 5525 Medical Testing for Employment, formerly A-23-02, are the addition of a purpose statement and legal authority.

Without objection, the Board concurred with revisions to 5525 Medical Testing for Employment.

Executive Session on Personnel and Legal Issues. Member Gagner made a motion to meet in executive session at 12:25 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(a) and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

Discussions were held on personnel and legal matters.

The Board came out of executive session at 3:05 PM.

Workshop on FY15-19 Program Update. Staff presented various information in preparation of updating the STIP. The

percent of pavement rated as good or fair is 85, exceeding the goal of 82%; however, based on projected funding levels, that is expected to decrease to 76% by 2019. Based on the bridge area, 74% of bridges are in good condition, which is below the goal of 80%. By 2019, 76% of bridges are projected to be in good condition.

The five-year highway fatality rate has been decreasing; however, the total fatalities by year increased in 2012 and 2013 after a low of 167 fatalities in 2011. The Highway Safety Corridor Analysis provides a data-assisted analytical process to identify the highest-priority corridors for safety improvements, options for eliminating crashes, and a mechanism to evaluate the effectiveness of improvements.

Crash data in completed GARVEE corridors was reviewed. In comparing three years of crash data after the improvements were made with the three years before the projects were constructed, the total crash rate decreased 38%, the injury crashes declined 51%, and the fatal crashes decreased 89%. Similarly, comparing the crash rate on the US-95, Lewiston Hill to Thorncreek section for five years before the project was completed with five years after the improvements were made, shows a 37% reduction in total crashes, a 75% decline in injury crashes, and a 100% reduction in fatal crashes.

Discussion followed on allocating funds. Staff recommended changing the District targets based on 1/3 lane miles, 1/3 vehicle miles traveled, and 1/3 deficient miles. Because projects like the GARVEE-funded improvements have a significant safety benefit, plus they improve mobility and economic opportunities, staff proposed establishing a Strategic Initiatives Program. The new program, which would include the current Expansion, Safety – Statewide, and Safety Rail Programs, would be implemented in FY19. No changes are proposed for the FY15-18 Program.

The consensus of the Board was to proceed with establishing the Strategic Initiatives Program. It expressed support to emphasize safety and to align the STIP with the Strategic Plan. It requested revisiting this proposal next month.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 5:15 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
April 16, 2014
Lewiston, Idaho