

SPECIAL SESSION OF THE IDAHO TRANSPORTATION BOARD

May 31, 2017

Idaho Transportation Board Chairman Jerry Whitehead called a special session of the Idaho Transportation Board at 2:30 PM on Wednesday, May 31, 2017. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Jerry Whitehead, Chairman
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Lead Deputy Attorney General

The following participated via videoconference or teleconference:

Lee Gagner, Vice Chairman – District 6
Jim Coleman, Member– District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5

Update on Proposed I-15 and Siphon Road Interchange. District 5 Engineer (DE) Ed Bala reiterated the need for a new I-15 interchange at Siphon Road and provided some history on the proposed public private partnership. The developer has acquired all of the right-of-way and selected a design-build firm. ITD participated in the selection of Wilson/Wadsworth, using the qualification based process with safeguards against favoritism. The Federal Highway Administration is involved in discussions on the proposed interchange, and the re-evaluation of the earlier environmental document is underway.

DE Bala said the current estimate to construct the interchange is under \$9 million, including a 10% contingency. This estimate is consistent with similar projects in the area. The current proposal caps ITD's participation at \$5 million. The local entities, the Cities of Chubbuck and Pocatello and Bannock County, are contributing to construct the connecting roads. The developer will provide the additional funds needed to complete the connecting roads and interchange.

DE Bala reported that he recently learned that Idaho law does not allow the contract model that the partnership has been pursuing. A developer may contribute to a project, but ITD must control the project, which transfers more of the risk to the Department. The next steps could include restructuring the agreement so ITD is the project owner and the development community is a cash contributor for approximately \$3 million; restructuring the agreement so the connecting infrastructure is a cooperative agreement between ITD and the local government entities; if legal, have ITD assume management of the existing design-build contract; and recognizing the Department will have additional risk, anticipate contributing approximately \$7 million. DE Bala identified some District 5 projects that could be delayed to provide the additional funding.

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Vice Chairman Gagner noted that a design-build firm has already been selected. He asked what will happen to that contract if the Board does not approve the agreement and funding for the new interchange. DE Bala responded that if the Board does not approve this project, the design-build contract will be addressed at that time.

Vice Chairman Gagner asked how confident staff is with the \$9 million interchange construction estimate, noting that earlier this year, the estimate for this interchange was between \$12 and \$15 million. DE Bala replied that the earlier estimate was on the high side, partly because he would rather have a bid that is below the estimate than over the estimate. He also clarified that the \$8.4 million estimate is for construction only. It does not include right-of-way acquisition.

In response to Chairman Whitehead's question, DE Bala said the design-build firm of Wilson/Wadsworth has an impressive record, including construction of the I-15 Chubbuck Interchange and I-15 McCammon Interchange in District 5.

Millennial Development Partners representative Buck Swaney emphasized that over \$1.5 million has been spent on this project to date and the right-of-way has been acquired. Millennial Development Partners is committed to this project; however, he indicated that no additional commitments will be made until the Board approves the agreement.

In response to Vice Chairman Gagner's question, Mr. Swaney said the right-of-way acquisition process was done in accordance with federal requirements.

Executive Session on Legal Issues. Member Horsch made a motion to meet in executive session at 3:08 PM to discuss legal issues as authorized in Idaho Code Section 74-206, (c), (d), and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

Discussions were held on legal matters related to the proposed Siphon Road Interchange.

The Board came out of executive session at 4:02 PM.

WHEREUPON the special session of the Transportation Board adjourned at 4:06 PM.

Read and Approved
June 22, 2017
Boise, Idaho

signed
Jerry Whitehead, Chairman
Idaho Transportation Board

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