

REGULAR MEETING AND DISTRICT ONE TOUR
OF THE IDAHO TRANSPORTATION BOARD

August 21-22, 2019

The Idaho Transportation Board met at 7:30 AM on Wednesday, August 21, 2019 in Coeur d'Alene, Idaho. The following principals were present:

Bill Moad, Chairman

Jim Kempton, Vice Chairman – District 4

James R. Thompson – Member District 1

Julie DeLorenzo, Member – District 3

Bob Hoff, Member – District 6

Director Brian Ness

Sue S. Higgins, Executive Assistant and Secretary to the Board

District 1 Tour. The Board traveled I-90 east and SH-3 south to St. Maries. Staff gave presentations on various innovations at the maintenance shed. The Board toured PotlatchDeltic and then met with stakeholders to discuss various transportation issues. The main concerns related to the dike portion of SH-3 and the railroad underpass on SH-5. Benewah County Commissioner Jack Buell offered assistance, such as looking into securing the right-of-way needed for the dike road project. Local Highway Technical Assistance Council (LHTAC) Administrator Jeff Miles also offered to look into potential grant opportunities to widen SH-3.

The tour continued west on SH-5 and north on US-95 to Coeur d'Alene.

WHEREUPON, the tour ended at 4:15 PM.

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The Idaho Transportation Board convened at 8:00 AM on Thursday, August 22, 2019 at the District 1 Office in Coeur d'Alene, Idaho. Chairman Moad, Vice Chairman Kempton, and Members Thompson, DeLorenzo, and Hoff were present. Deputy Attorney General Rick Hart was also in attendance.

Chairman Moad welcomed Senator Jim Woodward and Representative Vito Barbieri to the meeting.

Safety Share. District 1 Engineer (DE) Damon Allen reminded everyone to be cognizant of school children, as they head back to school. He said it is important to pay attention driving through school zones and crosswalks.

Board Minutes. Member DeLorenzo made a motion to approve the minutes of the regular Board meeting held on July 17-18, 2019 as submitted. Vice Chairman Kempton seconded the motion and it passed unopposed.

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Board Meeting Dates. The following meeting dates and locations were scheduled:
September 11-12, 2019 – District 3
October 17, 2019 – Boise
November 21, 2019 – Boise

Consent Items. Vice Chairman Kempton questioned the low bids that exceeded the engineer's estimate by more than ten percent. Chief Operations Officer Travis McGrath said both of those projects are small, which are harder to estimate. Staff evaluated the low bids and believes both are good, responsive bids.

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

RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-
ITB19-29 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 Performance Measurement Report for the Division of Financial Management; the FY19 account write-off; the FY19 local public agencies end-of-year plan and prioritized list for redistributed obligation authority; a consultant agreement; and contracts for award.

1) Performance Measurement Report for the Division of Financial Management. Idaho Code requires all state agencies to submit an annual Performance Measurement Report before September 1. The report is to provide an agency overview, core functions of the department, revenues and expenditures, cases managed and key services provided, and requirements for the Red Tape Reduction Act and Licensing Freedom Act.

2) FY19 Account Write Off. All uncollectible accounts exceeding \$1,000 are to be reviewed and approved for write off by the Board. The Director or a designee reviews and approves for write off all accounts less than \$1,000. For FY19, staff requests Board approval to write off 30 accounts totaling \$113,313, as shown as Exhibit #512, which is made a part hereof with like effect. Forty-six accounts in amounts less than \$1,000 have been determined as uncollectible, totaling \$13,683.96. The outstanding receivables are more than four years delinquent. Customers are not allowed to do business with the Department until their deficiencies are paid or the statute of limitations is reached.

3) FY19 Local Public Agencies End-of-Year Plan and Prioritized Project List for Redistributed Obligation Authority. Idaho received 90.1% of annual obligation authority. Local public agencies have \$5,754,000 federal funds with match available from bid savings, prior year released funds, and unused scheduled funds that are available to cover cost increases or to advance projects. Staff requests approval of the local public agencies' end of year plan and prioritized project list of advances and cost increases for use of potential redistributed obligation

authority, as shown as Exhibit #513, which is made a part hereof with like effect. The priorities are contingent on delivery and cost estimating.

4) Request to Approve Consultant Agreement. In accordance with Board Policy 4001 Authority to Sign Contracts, Agreements, and Grants and Requirement to Report Certain Contracts, staff requests approval to exceed the \$1 million agreement limit for keys #18972, #19665, #20188, #19460, and #19980 – FY19-21 Intelligent Transportation Systems Operations and FY20-21 Traveler Information Services, Statewide: Headquarters for supplemental agreements with Castle Rock Associates for up to \$1.65 million, bringing the total to \$2.4 million.

5) Contracts for Award. The low bids on the following projects were more than ten percent over the engineer's estimate, requiring justification. The Gabion Structure, Survey, and Mobilization items accounted for the main difference between the low bid and engineer's estimate on key #20343 – SH-97, Emergency Repair Milepost 76.9, District 1. The mobilization cost was presumably higher due to the remote location. The small quantities also contributed to the higher bid. The District does not believe re-advertising the project would result in lower bids, and recommends awarding the project. Low bidder: Razz Construction - \$229,813.

The main variances between the low bid and engineer's estimate on key #19794 – SH-57, Priest River Boat Access, District 1, were in the Granular Borrow, $\frac{3}{4}$ Aggregate for Base, Flagger Control, and Mobilization items. Staff believes the higher bid is due to the remote location of the project, the small quantities, the late bid time of the project, and the impact of the current construction activity in the region. The District does not believe re-advertising the project would result in lower bids, and recommends awarding the project. Low bidder: Clearwater Construction Inc. DBA Clearwater Western - \$385,827.

Information Items. 1) Contract Awards and Advertisements. Key #20003 – Local, FY19 Capital Maintenance, Phase 2. Low bidder: Central Paving Company, Inc. - \$1,666,487.

Key #22157 – US-95, Garwood Road to Farragut Park Pathway, District 1. Low bidder: National Native American Construction Inc. – \$1,966,392.

Key #20167 – STC-8533, Intersection Smith Avenue and Middleton Road Signal. Low bidder: Hawkeye Builders Inc. - \$448,656.

Key #19874 – I-84, Blacks Creek Road Interchange, District 3. Low bidder: Knife River Corporation – Mountain West - \$12,076,359.

The list of projects currently being advertised was provided.

2) Professional Services Agreements and Term Agreement Work Tasks Report. From June 27 through August 1, 44 new professional services agreements and work tasks were processed, totaling \$20,698,419. Four supplemental agreements to existing professional services agreements were processed during this period in the amount of \$564,391.

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3) Speed Minute Entry Changes for July 2019. The following speed minute entry change was processed in District 5 in July:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
SH-39	32.100	32.460	45	60

4) Administrative Settlements in Right of Way Acquisitions. From January 1 through June 30, 2019, the Right of Way Section processed 117 parcels in the amount of \$5,757,540. Of those, 24 parcels had administrative settlements totaling \$204,190.

5) Monthly Reporting of Federal Formula Program Funding through July. Idaho received obligation authority of \$309.4 million, which corresponds to \$308.4 million with match after a reduction for prorated indirect costs. Notice of the receipt of \$19.9 million of FY19 Highway Infrastructure General Funds was received in March. Idaho has received apportionments via notices through March 18, 2019 of \$341.2 million, including Redistribution of Certain Authorized Funds and Highway Infrastructure General Funds carried over from last year. Obligation authority is 90.7% of apportionments. Of the \$308.4 million allotted, \$26 million remains.

6) Return Check Report for FY19. During FY19, \$37,986,993 in checks were received, while 63 checks, or .58%, totaling \$220,752 were returned. Collection of returned checks equaled \$223,520 for an annual collection rate of 101.25%.

7) Summary of FY19 Budget vs. Actual Out-of-State Travel. FY19 out-of-state travel expenditures totaled \$423,824. The budgeted amount was \$368,280. In comparison, \$345,935 was spent on out-of-state travel in FY18 while \$368,280 was budgeted. In FY19, \$1,557,280 was budgeted for in-state travel while \$1,646,605 was expended. In FY18, \$1,579,781 was budgeted and \$1,538,724 was spent.

Director's Monthly Report on Activities. Director Ness thanked District 1 for the tour yesterday and its hospitality during his employee visits earlier in the week. He testified at a congressional subcommittee on research and technology meeting, noting the importance of research. The Department's research project on a new concrete mix to use in bridge construction resulted in a 90% cost reduction for this specialized concrete. He reported on other activities, including dedicating US-20 as the Medal of Honor Highway; staff participation in a Science, Technology, Engineering, Art, and Math event; a high school competition to promote seat belt usage; staff's exemplary service to clean up a mud slide on US-95; and a number of employee recognitions and awards.

Chief Deputy Scott Stokes said the Department is participating on several subcommittees of the Governor's Task Force on Broadband.

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

Chairman Moad thanked Director Ness and Chief Deputy Stokes for the reports. He also welcomed Representative Sage Dixon to the meeting.

Delegation – Boundary County Road and Bridge. Road and Bridge Acting Co-Superintendent Renee Nelson thanked the Board for the highway improvements, and the LHTAC and ITD staff members for their partnership. She mentioned a couple of bridge projects planned and commented on the need to address all of the deteriorating bridges throughout the state.

Chairman Moad thanked Acting Co-Superintendent Nelson for her remarks.

Delegation – City of Bonners Ferry. Mayor David Sims thanked the Board for its time, and for the improvements to US-95 in Bonners Ferry, which will increase safety and mobility. He also thanked the District for its support. As Director of Selkirk Pend Oreille Transit (SPOT), he expressed appreciation for the assistance the Public Transportation Office provides. He added that the transit agency is having difficulties hiring drivers because of its limited budget.

Chairman Moad thanked Mayor Sims for his comments.

Delegation – Bonner County Area Transportation Team (BCATT). BCATT Chairman Jeff Connolly welcomed the Board to northern Idaho and thanked it for its service to the state. He provided an overview on the Team and commended ITD and LHTAC for their partnership. He expressed appreciation for the improvements to US-95 and encouraged the Board to improve the section from Granite Hill to Cocolalla. He noted that funding is a challenge, but emphasized that the improvements to US-95 are important to enhance economic growth and improve safety.

George Eskridge, political liaison for BCATT, welcomed the Board to District 1. He thanked the Board for the various improvements to the transportation system, and added that although highways are the main focus, airports are very important, too. He acknowledged the funding shortfall and believes it is incumbent for the state to find solutions to fund its transportation system. Alternative funding mechanisms need to be explored because the state cannot rely on traditional revenue sources like the fuel tax and registration system. BCATT will support efforts to address the funding shortfall.

Vice Chairman Kempton noted the importance of groups like BCATT to advocate for and support efforts to increase transportation revenue, particularly by discussing these concerns with legislators.

Chairman Moad thanked BCATT Chairman Connolly and Mr. Eskridge for their comments.

Delegation – Independent Highway District. Commissioner Mel Bailey summarized the highway district's responsibilities. He mentioned some recent improvements made to its system, and the challenges to address the transportation needs. He also emphasized that SPOT has been very beneficial to the community.

Chairman Moad thanked Commissioner Bailey for his remarks.

Delegation – City of Sandpoint. Public Works Director Amanda Wilson thanked the Board for its time. She commended the District 1 employees for their exceptional customer service and partnership. She expressed appreciation for the US-95, Sand Creek Byway, noting the positive impacts to the community, downtown, and economy. She also expressed concern with the population growth and those impacts to the transportation system. The city is in the process of updating its long-range plan. She also acknowledged the value of BCATT and thanked LHTAC for its partnership.

Chairman Moad thanked Public Works Director Wilson for her remarks.

Delegation – City of Ponderay. Mayor Steve Geiger thanked the Board for its time, and welcomed Chairman Moad and Members Thompson and Hoff to the Board. He mentioned some recent improvements to the community, and thanked the District and LHTAC for their assistance. He also expressed concern with limited access to the city beach and said the city has been trying to secure grants for a railroad underpass project to access the beach.

Chairman Moad thanked Mayor Geiger for his comments.

Delegation – City of Kootenai. Mayor Nancy Lewis thanked the Board for its time. She mentioned recent improvements to the area and thanked ITD and LHTAC for the good working relationship. She also encouraged the Board to widen SH-200.

Chairman Moad thanked Mayor Lewis for her comments.

Delegation – City of Oldtown. Planner Bryan Quayle relayed Oldtown Mayor Lonnie Orr's regrets that he could not attend the meeting. The city has a great relationship with ITD and appreciates the recently completed overpass project. Now there is a concern with pedestrians crossing SH-41 near the overpass because of the limited sight distance. He requested assistance to address that safety concern.

Chairman Moad thanked Mr. Quayle for sharing the municipality's comments and said staff will look into the safety issue.

Delegation – City of Priest River. Mayor James Martin welcomed the Board to District 1, and echoed the other delegations' comments on the excellent working relationship with ITD and LHTAC. He summarized recent projects and encouraged the Board to consider improving US-2 because of the growth in the area. He acknowledged the many transportation needs throughout the state, the need for a stable funding source, and the importance of low-volume roads.

Chairman Moad thanked Mayor Martin for his remarks.

Delegation – Benewah County. Commissioner Phil Lambert thanked the Board for visiting Benewah County yesterday and for the improvements made to US-95. He expressed concern with the Department's policy to provide maintenance on non-commerce routes instead of major projects. He encouraged the Board to widen SH-3 on the dike and to realign a portion of

SH-5. He added that the intersection of US-95 and SH-5 also needs improving, and also acknowledged the concern with limited transportation revenue.

Chairman Moad thanked Commissioner Lambert for his comments.

Delegation – City of St. Maries. Mayor Tom Carver thanked the Board for visiting St. Maries yesterday and for the bridge projects. He requested lighting on the bridges, restoring access in that area, and re-installing the four-way stop at 10th Street.

Chairman Moad thanked Mayor Carver for addressing the Board.

Delegation – Shoshone County. Commissioner Mike Fitzgerald thanked the Board for the numerous improvements to the transportation system, especially the bridge projects on I-90. As chairman of the Association of Idaho Counties, he offered assistance with transportation issues. He also mentioned that he is on a subcommittee of the Task Force on Broadband and noted the importance of that issue.

Chairman Moad thanked Commissioner Fitzgerald for his comments.

Delegation – Kootenai Metropolitan Planning Organization (KMPO). Executive Director Glenn Miles thanked the Board for the improvements to the region's transportation system and for the scheduled projects. He summarized the area's growth and stressed the need to plan for the expected continued growth. He believes managing traffic will be instrumental, as we cannot build our way out of congestion, and recommended creating a regional traffic management center. In conclusion, he thanked the Board for its service and the District staff for its partnership.

Chairman Moad thanked Executive Director Miles for the informative report.

Delegation – Coeur d'Alene Chamber of Commerce. On behalf of the Coeur d'Alene businesses, Chief Executive Officer (CEO) Steve Wilson thanked the Board for its service and for the improvements to the transportation system. He noted concerns with congestion and the importance of a good transportation system for economic viability. He also expressed support for a sustained funding source for transportation and increasing transportation revenue.

Chairman Moad thanked CEO Wilson for his remarks.

Adopt-A-Highway (AAH) Presentation. Business Manager Drue Hatfield thanked the Bleeding Hearts Tattoo Emporium employees and the PotlatchDelta Wellness employees for participating in the AAH Program.

State FY19 Financial Statement. Controller Dave Tolman said revenues to the State Highway Account from all state sources finished the fiscal year ahead of projections by 3.6%. Total receipts from the Highway Distribution Account were 3.1% or \$6.7 million more than forecast. State revenues to the State Aeronautics Fund were ahead of projections by 19.4%, or \$530,000. Expenditures were within planned budgets. Personnel costs had savings of \$13.1

million or 10% prior to transferring \$10 million to operating expenditures and contract construction. The savings were due to reserves for horizontal career path increases, vacancies, and timing between a position becoming vacant and being filled. Contract construction cash expenditures were \$452.1 million for the fiscal year.

The balance of the long term investments was \$137.7 million at the end of June. These funds are obligated against construction projects and encumbrances. The cash balance was \$76.4 million. Expenditures in the Strategic Initiatives Program Fund through June were \$17.7 million, and deposits into the Transportation Expansion and Congestion Mitigation Fund were \$19.2 million.

GARVEE Financing Update. Controller Tolman elaborated on the Grant Anticipation Revenue Vehicle (GARVEE) Program financing. He summarized the enabling legislation and ITD's partnership with the Federal Highway Administration and the Idaho Housing and Finance Association. Ten bond series have been issued totaling \$999.7 million with interest. Each bond series has an 18 year maturity, callable after ten years. The weighted interest rate is 3.75%. The current payoff is July 2037 and the debt service is approximately \$62 million annually, or 20% of ITD's federal funds.

Chairman Moad thanked Controller Tolman for the reports.

August 2019 Revenue Forecast and FY21 Appropriation Request. Economist Bob Thompson presented the revised revenue forecast. The projected FY21 revenue from all sources is \$728.12 million, which is an increase from the projected revenue presented at the June workshop. He added that there is discussion of a potential recession towards the end of 2021, which would impact the Department's revenue.

Financial Manager (FM) Justin Collins submitted the proposed FY21 budget request. An FY20 supplemental request for spending authority of approximately \$1.2 million to implement House Bill 0179, including three positions, and for construction will be submitted. The total FY21 appropriation request is \$754,484,000 and 1,651 full-time positions. Highlights include an increase of \$1.15 million for a 1% change in employee compensation; \$29.8 million for replacement equipment; \$66.5 million for debt service; and 13 line items totaling \$80.2 million, with \$70.4 million in one-time costs.

Member DeLorenzo made a motion and seconded by Vice Chairman Kempton to approve the following resolution:

RES. NO. WHEREAS, the FY21 Idaho Transportation Department budget request will be
ITB19-30 prepared in accordance with instructions in the Division of Financial
 Management's Budget Development Manual; and

WHEREAS, the Idaho Transportation Board has reviewed the proposed FY21 budget request summary.

NOW THEREFORE BE IT RESOLVED, that the Board has reviewed the budget request estimates reflected in the Department Summary and Certification,

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submitted for approval August 22, 2019, as shown as Exhibit #514, which is made a part hereof with like effect, and authorizes the estimates and guidance provided to serve as the basis for the FY21 budget request submitted to the Division of Financial Management and Legislative Services Office.

Vice Chairman Kempton asked about the process to submit the budget. FM Collins said the budget needs to be submitted to the Division of Financial Management and Legislative Services Office by August 30. Those agencies will review the budget and communicate any concerns or issues.

The motion passed unanimously.

Chairman Moad thanked staff for the presentation.

Update on Public Comments Received for the Draft Idaho Transportation Investment Program (ITIP). Public Involvement Coordinator (PIC) Adam Rush presented the 26 comments received during the 30-day public comment period for the draft ITIP. A number of comments were submitted in support of efforts to reduce vehicle/wildlife collisions statewide. There were also some comments on specific projects.

Chairman Moad thanked PIC Rush for the information.

2019-2020 Administrative Rulemaking. Governmental Affairs Program Specialist (GAPS) Ramón Hobdey-Sánchez presented a number of rules that went through the negotiated rulemaking process. If the Board approves the revisions, the rules will proceed to the formal rulemaking process and be presented to the 2020 legislature. He added that if the rules are approved today, revisions can still be made before November.

Vice Chairman Kempton made a motion, seconded by Member Hoff, and passed unopposed to approve the following resolution:

RES. NO. WHEREAS, Idaho Transportation Department staff has presented eleven
ITB19-31 (11) administrative rulemakings for the 2020 legislative session; and

WHEREAS, the Department is supporting the Governor's Red Tape Reduction Act; and

WHEREAS, Department staff has negotiated and worked with stakeholders and interested parties; and

WHEREAS, the following ITD rule chapters have recommended changes:

- 39.02.03: Rules Governing Vehicle Dealer's Principal Place of Business
- 39.02.05: Rules Governing Issuance of Certificates of Title
- 39.02.22: Rules Governing Registration and Permit Fee Administration
- 39.02.42: Temporary Vehicle Registration When Proof of Ownership Is Insufficient

- 39.02.75: Rules Governing Names on Drivers' Licenses and Identification Cards
- 39.02.76: Rules Governing Driver's License Renewal-by-Mail
- 39.03.01: Rules Governing Definitions Regarding Special Permits
- 39.03.05: Rules Governing Special Permits – Oversize Non-Reducible
- 39.03.06: Rules Governing Special Permits for Extra-Length/Excess Weight Up to 129,000 Pound Vehicle Combinations
- 39.03.41: Rules Governing Traffic Control Devices
- 39.03.60: Rules Governing Outdoor Advertising; and

WHEREAS, these administrative rule changes were approved by the Division of Financial Management within the Idaho Governor's Office; and

WHEREAS, IDAPA 39.02.03 will have a temporary effective date of August 22, 2019.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves of the changes made to these eleven (11) administrative rules which will be published in the Idaho Administrative Bulletin.

Chairman Moad thanked GAPS Hobdey-Sánchez for the presentation.

Executive Session on Personnel and Legal Issues. Member DeLorenzo made a motion to meet in executive session at 1:00 PM to discuss personnel and legal issues as authorized in Idaho Code Section 74-206(a), (b), and (c). Vice Chairman Kempton seconded the motion and it passed 4-0 by individual roll call vote.

The discussions on personnel matters related to the filling of a position and the performance of employees. The discussion on legal matters related to acquiring right-of-way.

The Board came out of executive session at 2:10 PM.

Division of Motor Vehicles (DMV) Update. Motor Vehicle Administrator (MVA) Alberto Gonzalez summarized DMV's accomplishments this past year. The modernization project is proceeding well and the transition from the mainframe should be completed soon. A concerted effort has been made to improve the relationship with DMV's partners, including conducting a county leadership conference, establishing regional county engagement teams, and establishing a standard on-boarding process and training. Other highlights include improvements to the title process, increased outreach with the Trucking Advisory Council and Idaho Trucking Association, and improved work flows and turn-around times.

MVA Gonzalez said legislation this past year, House Bill 0179, requires the Department to suspend vehicle registrations for uninsured motorists. ITD is requesting additional employees to oversee this program, which goes into effect on January 1, 2020. Efforts are also continuing to promote the REAL ID, or STAR, driver's license, and to consolidate rules.

Chairman Moad thanked MVA Gonzalez for the informative update.

Lakeland High School Public Service Announcement. Highway Safety Manager (HSM) John Tomlinson commended Lakeland High School for promoting highway safety. He recognized the drama teacher and students who created a public service announcement to discourage impaired driving.

North Idaho Driving Under the Influence (DUI) Task Force. HSM Tomlinson recognized Coeur d'Alene Police Officer and Law Enforcement Liaison (LEL) Nick Knoll for his valuable partnership and efforts to address highway safety. LEL Knoll elaborated on the North Idaho DUI Task Force and reported on the numerous events held throughout the year to combat impaired driving. He commended the various partners involved on the Task Force and said efforts are underway to expand it.

Chairman Moad thanked HSM Tomlinson and LEL Knoll for the presentations and for their work to enhance highway safety.

Local Rural Highway Investment Program (LRHIP) - Proposed Changes. Financial Planning & Analysis Manager (FP&AM) Joel Drake said LHTAC approached the Department about revising the LRHIP. ITD exchanges Local Federal-Aid Surface Transportation Program Rural apportionments for State Highway Account dollars. The exchange rate has not been updated in many years, so LHTAC would like to change the rate from .6167 to .80. It would also like to increase the federal cap from \$4,540,295 to \$5,000,000. FP&AM Drake said staff evaluated these changes and identified several options. Staff recommends modifying the exchange rate to .8 and increasing the federal funds cap to \$5,000,000. This would result in a net \$1,000,000 to ITD, but a net loss of \$1,000,000 to the locals.

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

RES. NO. WHEREAS, the Idaho Transportation Board authorizes the Director to exchange
ITB19-32 Local Federal-Aid apportionments for State Highway Account monies, thus
 establishing the Local Rural Highway Investment Program; and

WHEREAS, Local Highway Technical Assistance Council (LHTAC) manages
this program; and

WHEREAS, the exchange rate for this program has not been reviewed in many
years and the current policy was last approved September 2013; and

WHEREAS, LHTAC has requested a review and consideration of the policy,
exchange, rates, and associated exchange monies; and

WHEREAS, staff evaluated the request, developed policy options, and identified
a recommended option; and

WHEREAS, staff recommends these changes with an effective date of October 1, 2020 to be reflected in the program update for the FY21-FY27 program update cycle beginning in calendar year 2020.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board has reviewed the policy options and recommended options and approves policy option D (increase the exchange rate to 0.80, allow up to \$4,000,000 in state funds to be exchanged, and cap the federal funds at \$5,000,000), as shown as Exhibit #515, which is made a part hereof with like effect; and

BE IT FURTHER RESOLVED, that the Board directs staff to draft revisions to Board and Administrative Policies, 4030/5030, respectively, for its review; and

BE IT FURTHER RESOLVED, that the Board has reviewed and approves these changes with an effective date of October 1, 2020.

District 1 Report. DE Allen thanked the Board for visiting northern Idaho. He reported on performance metrics: 13 projects were delivered by September 30, 2018; the FY18 final construction cost of the contract award was 116%, which did not meet the goal of 95% to 105%; and the winter mobility metric of roads being clear of ice and snow was 86%. Construction on Stage I of the US-95, Garwood to Sagle GARVEE project started last month and Stage II should be under construction next year. He reported on efforts to address slides on US-95, innovations, and the emphasis on employee safety.

Chairman Moad thanked DE Allen for the report and for his leadership.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting adjourned at 3:30 PM.

signed

BILL MOAD, Chairman
Idaho Transportation Board

Read and Approved
September 12, 2019
McCall, Idaho

August 22, 2019