

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

September 16, 2020

The Idaho Transportation Board convened at 10:30 AM on Wednesday, September 16, 2020. The following principals were present in Rigby, Idaho:

Bill Moad, Chairman
Jim Kempton, Vice Chairman – District 4
Julie DeLorenzo, Member – District 3
Dwight Horsch, Member – District 5
Bob Hoff, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

The following principals participated remotely:

James R. Thompson, Member – District 1
Janice B. Vassar, Member – District 2
Larry Allen, Lead Deputy Attorney General

Safety/Security Share. District 4 Operations Manager Seth Helms talked about the potential for vehicles to roll after the driver parks it and exits it. He emphasized the importance of ensuring the vehicle is in park, setting the emergency brake, shutting off the engine or grounding the equipment if appropriate, and chocking the wheels if appropriate.

Chairman Moad thanked Operations Manager Helms for the important message.

Board Minutes. Member DeLorenzo made a motion to approve the minutes of the regular Board meeting held on August 20, 2020 as submitted. Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

Board Meeting Dates. The following meeting dates were scheduled:

October 15, 2020
November 19, 2020
December 17, 2020

Information Items. 1) Contract Awards and Advertisements. Keys #19887 and #19847 – Off System, FY19 and FY20 Capital Maintenance, Phase 2 and 3, Ada County Highway District. Low bidder: Knife River Corporation – Mountain West – \$1,994,605.

Key #23078 – US-95, Rock Slide Mitigation, Near Riggins, District 2. Low bidder: Scarsella Bros. Inc. - \$3,027,384.

Key #19376 – US-91, Shelley North City Limits to York Road, Phase 2, District 5. Low bidder: H-K Contractors Inc. - \$7,949,969.

Keys #20044 and #20005 – US-26, Lateral Canal Bridge, X Canal Bridge, District 4. Low bidder: Cannon Builders Inc. - \$867,455.

The list of projects currently being advertised was provided.

2) Professional Services Agreements and Term Agreement Work Tasks Report. From July 29 through August 25, 23 new professional services agreements and work tasks were processed, totaling \$3,240,496. Five supplemental agreements to existing professional services agreements were processed during this period in the amount of \$71,168.

3) Return Check Report for FY20. During FY20, \$35,418,148 in checks were received, while 60 checks, or .32%, totaling \$111,791 were returned. Collection of returned checks equaled \$99,289 for an annual collection rate of 88.82%.

4) State FY21 Financial Statements. Revenues to the State Highway Account from all state sources were ahead of projections by 57% after the first month in the new fiscal year. Receipts from the Highway Distribution Account were \$9.7 million more than forecast; although the forecast was lowered due to COVID-19. State revenues to the State Aeronautics Fund were below projections by 19%, or \$37,000. Expenditures were within planned budgets. Personnel costs had savings of \$541,000 or 5.3% due to vacancies and timing between a position becoming vacant and being filled. Contract construction cash expenditures were \$51.5 million in July.

The balance of the long term investments was \$110.5 million at the end of July. These funds are obligated against construction projects and encumbrances. The cash balance was \$97.1 million, and includes the reserve to mitigate the impact of COVID-19 on FY21 revenue. Expenditures in the Strategic Initiatives Program Fund were \$1.9 million in July. Deposits into the Transportation Expansion and Congestion Mitigation Fund were \$1.8 million, and expenditures were \$3 million. The federal CARES Act provided \$27.3 million for public transportation in FY20. Expenditures in July were \$1.1 million.

5) Monthly Reporting of Federal Formula Program Funding through August. Idaho received obligation authority of \$286.6 million through September 30 via an appropriations act signed in December 2019. This includes \$936,200 of Highway Infrastructure General Funds carried over from last year in the Transportation Management Area. In February \$14.1 million of Highway Infrastructure General Funds were received; however, \$4.2 million will not be used until FY23. Obligation authority through September 30 is \$335 million after receipt of \$38.5 million Redistribution of Obligation Authority Not Used by Other States on August 28. This corresponds to \$335.3 million with match after a reduction for prorated indirect costs. Idaho received apportionments via notices through February 13 of \$327.4 million, including Redistribution of Certain Authorized Funds and Highway Infrastructure General Funds. Obligation authority is currently 102.3% of apportionments. Of the \$335 million allotted, \$49.5 million remains.

6) Status: FY22 Appropriation Request. The total FY22 appropriation request that the Board approved last month was reduced by \$72,500 in personnel, equipment, and contract construction. The total appropriation request is \$669,705,800 and 1,648 full time positions.

Board Policy 4076 Use of Unallocated Idaho Transportation Investment Program (ITIP) Funds. Chairman Moad proposed changes to Board Policy 4076. Historically, because funds remain in the Unallocated account in April, staff sweeps them to use on ITIP projects. He believes there are a number of smaller projects that Districts would like to fund, such as passing lanes, snowplow turnouts, or improvements to address off-tracking restrictions. He suggested the Board members and their respective District Engineer identify potential projects that could be constructed with the unspent funds in this account. Projects should address safety, mobility, or economic opportunities. He also encouraged working with advisory committees to identify potential projects.

In response to Member DeLorenzo's question, Chief Deputy Stokes replied that the funds have to be spent on the state highway system per Idaho's constitution. He added that another policy may need to be addressed because it prohibits developing projects that are not in the ITIP.

Although there was concern that funding needs to be available to address emergencies, the consensus of the Board was to pursue this proposal. Chairman Moad asked staff to refine the proposal and revise the policy.

Monthly Report on Activities. Director Ness reported on a recent partnering meeting with the Associated General Contractors of Idaho. One of the focus areas was safety in construction zones. He mentioned some awards the Department received and the receipt of \$38.4 million in federal redistribution of obligation authority, noting staff's exemplary work to position Idaho for this additional funding. He also commended staff for its productivity working from home and the Enterprise Technology Service employees for enabling the successful telecommuting. He mentioned a crash last week along I-15. A motorist hit an ITD vehicle that was on the shoulder with its lights flashing. Fortunately the three District 5 employees in the truck were not injured. In closing, he was pleased to report that the Nez Perce Tribe received a \$19.1 million federal grant for the US-95 and Aht'Wy Plaza interchange. Construction should start in spring.

Chief Deputy Stokes said the Division of Motor Vehicles (DMV) plans to go live with the vehicle phase of the modernization project on October 13. Training is currently underway. DMV will resume implementing the drive insured program next month, as it was suspended earlier due to the COVID-19 pandemic. He commended DMV employees for their productivity during the pandemic, noting that many employees are still working from home, and reported that the number of DMV transactions has generally exceeded the monthly norms. He also shared a message from the Mayor of Riggins commending ITD's response to the US-95 rock slide and the expeditious manner in which it opened an alternate route, as the transportation system is vital to the economy.

Chairman Moad thanked Director Ness and Chief Deputy Stokes for their reports.

Coronavirus Aid, Relief, and Economic Security (CARES) Act Update and Fund Transfer Proposal. Public Transportation Manager (PTM) Ron Duran said Idaho received \$27.3 million from the federal CARES Act for public transportation. Staff developed an on-line portal for these funds and began processing payment authorizations in May. Idaho was one of the first states in the nation to execute a CARES grant. Over \$17.7 million has been awarded to date. He commended staff for building the portal and maintaining the normal level of service while overseeing the additional CARES funds.

PTM Duran said the CARES Act included \$2.7 million for administrative purposes, such as office payroll, supplies, technology, and marketing to manage these funds. Normally, ITD expends just under \$400,000 annually for administration. He recommended transferring \$2 million to general funds to execute a competitive call for applications for technology improvements for transit providers.

Member Vassar made a motion, seconded by Member DeLorenzo, and passed 6-0 by individual roll call vote to approve the following resolution:

RES. NO. WHEREAS, the Public Transportation Office is charged with soliciting,
ITB20-50 reviewing, and programming public transportation projects in the rural areas of
Idaho; and

WHEREAS, the Idaho Transportation Board serves as the final approver of Federal Transit Administration (FTA) funded projects in Idaho before being submitted to FTA; and

WHEREAS, the funding source includes one FTA grant, the 5311 CARES Act grant; and

WHEREAS, these are one-time funds without sub-recipient match on all projects; and

WHEREAS, the Public Transportation Office intends to transfer \$2,000,000 of 5311 CARES Act grant funds from State Admin to a one time competitive call for applications to improve technology at the provider level to meet provider demand and/or to assist in meeting future demand.

NOW THEREFORE BE IT RESOLVED, that the Board acknowledges the proposed plan and approves the transfer in the amount of \$2,000,000 for solicitation of technology projects, ultimately to be reviewed and concurred upon by the Public Transportation Advisory Council, the Board, and the Federal Transit Administration for final approval.

Chairman Moad thanked PTM Duran for the presentation.

FY21-27 Idaho Transportation Investment Program (ITIP) Outreach Results. Aubrie Spence, Public Information Officer, said the draft FY21–27 ITIP proposing highway, public transportation, and aeronautics projects was available for public review and comment during

July. Traditional methods, such as news releases and ads in local papers, as well as social media were used to inform the public of the draft document and seek comments.

Senior Transportation Planner Margaret Havey summarized the 110 comments received. The majority, 39%, related to congestion. The other main topics were the environment/wildlife, safety, preservation and maintenance, and transportation options. Every comment was acknowledged and specific questions were forwarded to the subject matter expert for further discussion and a response. She added that the Department receives comments year-round.

Chairman Moad asked if the comments are shared with the legislators who represent that area so they are aware of their constituents' concerns. The comments have not been provided to legislators to date, according to Communication Manager Vincent Trimboli, but he added that consideration will be given to sharing the comments.

Vice Chairman Kempton noted that focus groups occasionally submit comments on a topic such as wildlife. With the population center in the greater Boise area, it is not surprising that District 3 received a number of comments related to congestion. Other than those two groups, there were few comments received in the other Districts. He believes outreach efforts should target transportation committees. Communication Manager Trimboli concurred. He said staff is already discussing opportunities for next year's public involvement period, and stakeholder outreach and more targeted outreach are being considered.

Chairman Moad thanked staff for the informative report.

Recommended FY21-27 ITIP. Justin Collins, Financial Manager – Financial Planning & Analysis (FM-FP&A) presented the recommended FY21-27 ITIP. The document will be revised to include the additional obligation authority the Department received in August and other end-of-year changes. He said the public comments and requests received during the 30-day public review comment period were considered and incorporated into the updated ITIP when appropriate. Other revisions made to the Program since June include fiscally constrained changes requested by stakeholders and correction of oversights and errors.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB20-51 to publish and accomplish a current, realistic, and fiscally constrained Idaho
Transportation Investment Program (ITIP); 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 2016 Fixing America's Surface Transportation (FAST) transportation act requires that a fiscally constrained list of projects covering a four-year minimum be provided in a statewide transportation improvement program; and

WHEREAS, Highways, Public Transit, and Aeronautics have recommended new projects and updated the costs and schedules for projects in the Recommended FY 2021-2027 ITIP; and

WHEREAS, the Recommended FY 2021-2027 ITIP was developed in accordance with all applicable federal, state, and policy requirements including adequate opportunity for public involvement and comment; and

WHEREAS, the Recommended FY 2021-2027 ITIP incorporated public involvement and comment whenever appropriate while maintaining a fiscally constrained Program; and

WHEREAS, it is understood that continued development and construction of improvements are entirely dependent upon the availability of future federal and state capital investment funding in comparison to the scope and costs of needed improvements.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves the Recommended FY 2021-2027 Idaho Transportation Investment Program; and

BE IT FURTHER RESOLVED, that staff is authorized to submit the federal version of ITIP (the Statewide Transportation Improvement Program, or STIP) for federal approval in accordance with the provisions of FAST.

Redistribution of Federal Formula Funds. FM-FP&A Collins reported on the Federal Highway Administration's redistribution of formula obligation authority. Of the \$4.8 billion redistributed nationally, Idaho received \$38.5 million, bringing the total FY20 apportionment to \$324.1 million, or \$7.5 million above the apportionment level.

FM-FP&A Collins said a Board Policy addresses 100% of obligation authority, but not funding received above that level. Because the funds needed to be obligated prior to September 15 and staff wanted to maximize all of the available funding, it distributed the additional \$7.5 million above the obligation authority following the spirit of Board Policy 4028 Allocation of Federal Formula Highway Apportionments to Local Public Agencies. As a result, 87.4% of the funds were directed to ITD and the other 12.6% to local public agencies. He asked the Board to ratify the distribution formula used for these additional funds.

Member Vassar made a motion, seconded by Member Hoff, and passed 6-0 by individual roll call vote, to approve the following resolution:

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department to
ITB20-52 accomplish a current, realistic, and fiscally constrained Idaho Transportation Investment Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal-aid highway funding; and

WHEREAS, the state was notified on August 28, 2020 by the Federal Highway Administration that Idaho's share of redistributed FY 2020 obligation authority was \$38,497,831; and

WHEREAS, within the \$38,497,831 redistribution \$30,954,174 brought Obligation Authority to 100% FY2020 apportionment and \$7,543,657 exceeded the FY20 apportionment; and

WHEREAS, it is the intent to fully utilize the FY20 federal highway redistribution allocations proportionately across the state and local projects.

NOW THEREFORE BE IT RESOLVED, that the Board ratifies the allotments of August 2020 redistribution, as shown as Exhibit #529, which is made a part hereof with like effect, and authorizes staff to fund advances and cost increases to fully utilize the funding over 100% of obligation authority; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the Idaho Transportation Investment Program.

Chairman Moad thanked FM-FP&A Collins for the presentations.

Executive Session on Personnel and Legal Issues. Member DeLorenzo made a motion to meet in executive session at 12:00 noon to discuss personnel issues as authorized in Idaho Code Section 74-206 (b) and legal issues as authorized in Idaho Code Section 74-206 (c). Member Horsch seconded the motion and it passed 6-0 by individual roll call vote.

The discussion on legal matters related to acquiring real property. The discussion on personnel matters related to the performance of an employee.

The Board came out of executive session at 1:45 PM.

Amendment to CenterCal (Meridian Village) Sales Tax Anticipation Revenue (STAR) Agreement. District 3 Engineer (DE) Caleb Lakey said development in the SH-55 corridor in the Meridian Village area is triggering the need to complete Phase 3 of the SH-55, Eagle Road improvements per the STAR agreement. A couple of amendments are being proposed to the agreement: allowing a letter of credit in lieu of commencing construction on Phase 3 improvements this fall and the addition of Phase 4 improvements, a modified traffic signal at East Village Drive and extended turn lanes at East River Valley Drive. He added that an engineering review determined that the additional improvements would be acceptable.

Member DeLorenzo made a motion, seconded by Member Horsch, and passed 6-0 by individual roll call vote, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB20-53 to publish and accomplish a current, realistic, and fiscally constrained Capital
 Investment Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available Federal, State, and Private highway funding; and

WHEREAS, the safe and efficient movement of people and goods on SH-55 (Eagle Road) is regionally significant; and

WHEREAS, Sales Tax Anticipation Revenue (STAR) legislation has been enacted by the Legislature that permits reimbursement, within established limits, of private funding of highway improvement construction projects with future sales tax reimbursements by the State; and

WHEREAS, CenterCal entered in a STAR agreement (dated September 23, 2011) to finance in its entirety the design, right-of-way acquisition, and construction for improvements to SH-55 (Eagle Road), outlined in three phases; and

WHEREAS, phase 1 and 2 of the project were satisfactorily completed under the current STAR agreement; and

WHEREAS, the developer is finalizing plans and expecting phase 3 construction to begin in FY21; and

WHEREAS, allowing the certificate of occupancy to be issued in November 2020 with a surety bond for 125% of construction costs for the phase 3 improvements to be constructed in 2021 allows the development to continue while ensuring appropriate protection for the tax payers of Idaho; and

WHEREAS, adding a signal at the intersection of East Village Drive and turn lane improvements to East River Valley Drive as a phase 4 to the agreement has been found to be acceptable through engineering review; and

WHEREAS, any amendments to the agreement with the Department will be reviewed by the Board.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves the amended STAR Agreement between the Department and CenterCal for the improvement of SH-55 (Eagle Road).

Chairman Moad thanked DE Lakey for the presentation.

Office of Highway Safety Strategic Communication Plan. Bill Kotowski, Grants Officer (GO), said the Department has been using positive messaging to encourage and educate Idahoans about safe driving behaviors, focusing on distracted driving. The Shift campaign has been well received and has won multiple awards over the last three years. GO Kotowski said this positive messaging will be used for other focus areas, such as impaired driving, aggressive driving, and seat belt usage. The plan is to improve the Department's online presence, use more inbound marketing tactics, and continue with outbound promotional efforts.

Chairman Moad thanked GO Kotowski for the informative presentation and for his efforts on highway safety.

District 4 Annual Report. DE 4 Jesse Barrus said an Origin Destination Study is being completed for a third Snake River crossing in the Twin Falls and Jerome area. Some upgrades are being made to the office building in Shoshone to make it more comfortable and accessible. Staff is still exploring the site at I-84 and US-93 for a new facility, and the Division of Military signed a lease and is preparing to do utility work at the site.

DE Barrus commended the maintenance crews for keeping the roads clear of ice and snow 89% of the time during the 2019-2020 winter, exceeding the goal of 73%. Staff delivered 13 of the 14 projects by the March 2020 deadline. Some of the major construction projects underway are the I-84/I-86 Salt Lake Interchange, US-93 and 200 South, and rehabilitating I-84 between Jerome and Twin Falls. He praised staff's response to the March earthquake, as it quickly assessed the state highway system. None of the Districts' facilities or assets were damaged. DE Barrus also mentioned events hosted at the Cotterel Port of Entry in recognition of the trucking industry's early response to the COVID-19 pandemic; a wildlife road kill app that was developed in partnership with the Department of Fish and Game; and District 4 employees' outreach efforts to educate citizens about winter driving, specifically driving near snowplows.

Chairman Moad and Vice Chairman Kempton thanked DE Barrus for the report and for his leadership.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:40 PM.

signed

BILL MOAD, Chairman
Idaho Transportation Board

Read and Approved
October 15, 2020
Coeur d'Alene, Idaho