

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

January 21, 2021

Due to the COVID-19 virus, the meeting was conducted remotely.

Idaho Transportation Board Chairman Bill Moad called the meeting to order at 8:00 AM on Thursday, January 21, 2021. The following principals participated:

Bill Moad, Chairman
Jim Kempton, Vice Chairman – District 4
James R. Thompson, Member – District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Dwight Horsch, Member – District 5
Bob Hoff, Member – District 6
Brian W. Ness, Director
Larry Allen, Lead Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

Security Share. Chief Information Officer Mark McKinney reported on a recent cyber incident. A perpetrator gained access to an employee’s email account via a phishing attempt. Fortunately the breach did not have major impacts. The investigation is ongoing, but more training and education for employees is being considered. He emphasized the importance of being vigilant with email messages and to confirm the identity of the sender before opening documents or clicking on links.

Chairman Moad thanked Chief Information Officer McKinney for the valuable message.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on December 17, 2020 as submitted. Vice Chairman Kempton seconded the motion and it passed 6-0 by individual roll call vote.

Board Meeting Dates. The following meeting dates were scheduled:

February 18, 2021
March 18, 2021
April 22, 2021

Consent Items. Vice Chairman Kempton made a motion, seconded by Member DeLorenzo, and passed 6-0 by individual roll call vote, to approve the following resolution:
RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-
ITB21-01 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.

January 21, 2021

NOW THEREFORE BE IT RESOLVED, that the Board approves the Trucking Advisory Council membership appointment; the addition of I-84, Exit 25 Ramp Improvements near Middleton; Historical Highway Marker Program projects; and a contract for award.

1) Trucking Advisory Council (TAC) Membership Appointment. Staff, in consultation with the trucking industry, recommends appointing Troy Thurgood to represent District 6 on the TAC. The term is for January 2021 to December 31, 2021.

2) Addition of I-84 Westbound Exit 25 Ramp Improvements Near Middleton, District 3. Staff requests the addition of a \$1.3 million I-84 Westbound Exit 25 Ramp Improvement project near Middleton in Canyon County. The increased traffic in the area is resulting in operational concerns and the project would improve the operations and safety of the intersection. The improvements would be temporary until a full interchange replacement can be programmed. The FY22 project would be funded with state funds.

3) Historical Highway Marker Program Projects. Staff requests the addition of an FY22 Historical Highway Sign project for \$690,000. The Historical Highway Marker Program was established by ITD and the Idaho Historical Society. Over time, a number of the approximately 300 signs have been damaged or fell into disrepair. Each District would receive \$115,000 to upgrade signs that are in poor condition or worse.

4) Contract for Award. The low bid on key #19725 - SH-3, Middle Fork Potlatch Creek Bridge, District 2, was more than ten percent over the engineer's estimate, requiring justification. The engineer's estimate was prepared in January 2020 and was not revised when the project was bid recently. The Concrete Class 40 AF Schedule Number 2 and Prestressed Bulb Tee Girder items accounted for the majority of difference between the low bid and engineer's estimate. It appears concrete costs have increased recently, possibly due to the rural location of the project or COVID-19. There were eight bidders in a reasonable range. The District recommends awarding the project. Low bidder: Cascade Bridge LLC - \$1,886,141.

Information Items. 1) Contract Awards and Advertisements. Key #21852 – US-95, I-84 to Gayway Junction, District 3. Low bidder: Knife River Corporation – Mountain West - \$595,000.

Keys #19870 and #20193 – US-95, Westlake Road to Cul De Sac, District 2. Low bidder: Valley Paving & Asphalt Inc. - \$7,272,528.

Key #20236 – US-93, Shoshone to Marley Road, District 4. Low bidder: Knife River Corporation – Mountain West - \$6,999,600.

Key #20156 – SH-19, Downtown Homedale Reconstruction, District 3. Low bidder: Knife River Corporation - Mountain West - \$2,140,136.

Key #19114 – SMA-8072, North Road Phase 3, Jerome Highway District. Low bidder: Staker & Parson Companies DBA Idaho Materials & Construction - \$2,092,361.

January 21, 2021

Key #21993 – I-90, Sherman Avenue and Lakeside Avenue, Coeur d’Alene. Low bidder: Fuse Electric LLC - \$829,440.

Key #20430 – STC-7821, Intersection North Middleton Road and Cornell Street, Middleton. Low bidder: Knife River Corporation – Mountain West - \$301,191.

Key #22454 – US-20/I-15 Interim Ramp Modification, Idaho Falls, District 6. Low bidder: Cannon Builders Inc. - \$2,145,304.

The list of projects currently being advertised was provided.

2) Professional Services Agreements and Term Agreement Work Tasks Report. From November 23 through December 28, 28 new professional services agreements and work tasks were processed, totaling \$6,674,023. Seven supplemental agreements to existing professional services agreements were processed during this period in the amount of \$1,736,865.

3) Semi-Annual Report on Administrative Settlements for Right-of-Way Acquisitions. From July 1 through December 31, 2020, staff processed 63 parcels. Of those, 31 parcels included administrative settlements totaling \$1,870,219.

4) Biennial Report on Inventory of Surplus Property. Per Board Policy 4005 Management of Department-Owned Property, staff is to report on the amount and location of surplus properties biennially. The report is to identify the current inventory of surplus properties and information from the disposal of surplus properties that occurred during the reporting period. From January 1, 2019 through December 31, 2020, 22 surplus properties were disposed. The sales proceeds of the 217.581 acres totaled \$397,835. The current inventory contains 46 properties, including some that are being leased.

5) State FY21 Financial Statements. Revenues to the State Highway Account from all state sources were ahead of projections by 15% as of November 30. Receipts from the Highway Distribution Account were \$15.5 million more than forecast; although the forecast was lowered due to COVID-19. State revenues to the State Aeronautics Fund were below projections by 11%, or \$120,000. Expenditures were within planned budgets. Personnel costs had savings of \$2.5 million or 4.7% due to vacancies and timing between a position becoming vacant and being filled. Contract construction cash expenditures were \$43.2 million.

The balance of the long term investments was \$111.1 million at the end of November. These funds are obligated against construction projects and encumbrances. The long term investments plus the cash balance of \$69.8 million includes reserves to mitigate the impact of COVID-19 on FY21 revenue. Expenditures in the Strategic Initiatives Program Fund were \$14.3 million year-to-date. Sales tax deposits into the Transportation Expansion and Congestion Mitigation Fund were \$8.6 million, and expenditures were \$24.3 million. The federal CARES Act provided \$27 million for public transportation. Expenditures totaled \$3.2 million.

6) Monthly Reporting of Federal Formula Program Funding through December. Idaho received obligation authority of \$59 million through December 11 via a continuing resolution.

This corresponds to \$58.9 million with match after a reduction for prorated indirect costs. It includes \$425,527 of Highway Infrastructure General Funds carried over from last year in the Transportation Management Area. Congress passed an FY21 Appropriations Act and COVID-19 Relief bill; however, ITD has not received notice of those specific actions. An extension to the federal Fixing America's Surface Transportation Act was signed on October 9, 2020. Idaho received apportionments of \$313.7 million. Obligation authority is currently 18.8% of apportionments. Of the \$58.9 million allotted, \$22.9 million remains.

7) Non-Construction Professional Service Contracts Issued by Business and Support Management (BSM). The BSM Section did not execute any professional service agreements during the previous month.

Monthly Report on Department Activities. Director Ness commented that the new year is an opportunity for resolutions and new initiatives. A number of Department activities are on today's agenda, including a legislative report, continuation of the discussion on the Headquarters' campus, budgets and funding requests, and human trafficking. Additionally, the 2011 Strategic Plan is being updated. He emphasized that it is an update. The Department is not moving in a different direction.

Chairman Moad thanked Director Ness for the report.

Legislative Report. Governmental Affairs Manager Mollie McCarty reported that Governor Little's State of the State address included a one-time funding proposal of \$126 million from the state's budget surplus for transportation plus \$80 million in ongoing revenue. The one-time funding includes \$2 million off the top for children/pedestrian safety projects, \$2 million for rail crossing improvement projects, and \$4 million for community airport improvements, and the remaining funds would be split 60/40 between ITD and local highway jurisdictions. ITD's budget hearing before the Joint Finance and Appropriations Committee is scheduled on February 5. The Senate Transportation Committee approved the Department's rules earlier in the week. Staff is monitoring a number of legislative proposals and responding to requests for information.

Chairman Moad thanked Governmental Affairs Manager McCarty for the update.

Treasure and Magic Valley Facilities. Chief Administrative Officer (COA) Char McArthur said a team has been reviewing the needs of the Department's facilities in the Treasure Valley and Magic Valley. There are challenges overseeing the 600 plus buildings throughout the state. Many of them do not meet current needs for employees or customers. The market and economic conditions are good in the greater Boise area now with low interest rates and high interest in properties. She recommends taking a regional approach, establishing strategic priorities, and evaluating regional facilities and needs. ITD has 7 sites in the Treasure Valley with 37 buildings and the Magic Valley has 4 sites with 32 buildings. She added that ITD will continue coordinating with the Department of Administration on ITD's facilities in Boise. Both agencies share the goals of efficiency and customer service.

Chairman Moad thanked COA McArthur for the informative presentation.

Follow-up Discussion on Administrative Surplus Property Rules and Procedures as it Pertains to ITD Administrative Facilities. Department of Administration Director Keith Reynolds supported continuing efforts to declare ITD's Headquarters campus as surplus and relocate the Department to the Chinden West Campus; however, he emphasized the importance of involving the Governor's Office to ensure it supports this proposal. Consideration needs to be given to how the funding would be appropriated. The next steps would be to finalize the draft memorandum of agreement and follow the procedures outlined in statute. He added that with the current market and economic conditions, now would be an opportune time to sell the Headquarters' campus.

Chairman Moad referenced COA McArthur's presentation on facilities in Districts 3 and 4. Vice Chairman Kempton elaborated on the need to take a regional approach. He also expressed concern with revisions to the draft memorandum of agreement that established a committee as the main decision-making authority instead of the Board, and with the removal of language to consider the District 3 and District 4 facilities. He also has concerns with the lack of valuation for the Headquarters' campus. Although he supports constructing a new District 4 facility, he does not support declaring the Headquarters' campus as surplus as a means to get a new District 4 building. Member Vassar concurred, particularly with taking a regional approach. She believes the Department of Administration's approach is too limited. Facilities other than Headquarters need to be included in the discussions.

Director Reynolds concurred with the difficulty of establishing a value for the Headquarters' property and with the process to handle the funding and appropriation.

In response to Member DeLorenzo's question, Director Reynolds replied that yes, ideally the Headquarters campus would be vacant before it is declared surplus. He understands that vacating the property first may not be realistic.

Member DeLorenzo asked if there is a requirement that the property be declared surplus prior to an investigation of the value. Director Reynolds responded that there is no requirement that it has to be declared surplus to do a valuation; however, proceeding with an invitation to bid or request for proposal is more difficult if the property is not for sale. If there is interest to test the market, he believes the property should be declared surplus.

Member DeLorenzo questioned hiring an appraiser. Director Reynolds believes it would be more beneficial to hire a consultant to prepare a request for proposal that would attract national attention and then assist in the evaluation of the bids rather than to provide an estimate of the value.

Chairman Moad said the two agencies will continue working on the memorandum of agreement and will plan on continuing the discussion next month.

Vice Chairman Kempton referenced COA McArthur's presentation, and in response to his questions and comments, COA McArthur said the team is interested in pursuing modernizing ITD's facilities. It is not averse to relocating the Headquarters' campus, but it believes all of the Treasure Valley facilities need to be considered. The materials lab and some other industrial

operations cannot be relocated to the Chinden West Campus. Aeronautics' maintenance facility is in poor condition and needs to be addressed. If Headquarters is relocated, it will have a domino effect, so she encouraged looking at all of the facilities in the greater Boise area. Additionally, District 4 needs to be considered. Although that facility may be the highest priority, the market in the Treasure Valley is prime. It may be an ideal time to act on the Headquarters' campus.

Innovative Business Practices Strategic Team Update. COA McArthur provided background on the Innovative Business Practices Strategic Team. Its focus has been on creating an environment where employees feel valued and want to share ideas. She emphasized the importance of recognizing those innovations. Motor Vehicle Administrator Alberto Gonzalez announced the top three Best of the Best innovation nominees and winner in the eight categories: safety, mobility, economic opportunity, customer service, employee development, time savings, dollar savings, and COVID-19. Since the program was established in 2014 through June 30, 2020, 1,129 of the 1,628 ideas submitted have been implemented, including 654 customer service improvements. The innovations have saved \$10.75 million and 224,110 hours.

Continuous Improvement Business Analyst Laura Meyer said the mission of the Continuous Improvement Office is to manage, monitor, and oversee the Innovate ITD administration and outcomes; facilitate teams to improve processes; and develop people, tools, processes, and discipline of continuous improvement. She summarized the strategic goals and tools used to achieve them.

The Board thanked staff for the presentation and congratulated the Best of the Best winners.

Grant Anticipation Revenue Vehicle (GARVEE) Bond Issuance – Series 2021. Controller Dave Tolman requested approval to proceed with issuing \$158.5 million in GARVEE bonds for I-84 projects in the Meridian to Caldwell corridor and to refinance the Series 2011 outstanding principle balance of \$60.9 million. Upon approval, ITD will continue working with the Idaho Housing and Finance Association and Citigroup with the intent of closing the last week of April or first week of May.

Vice Chairman Kempton made a motion, seconded by Member Vassar, and passed 5-0 by individual roll call vote to approve the following resolution (note: Member Horsch's vote was not recorded, presumably due to technical issues):

RES. NO. ITB21-02 WHEREAS, the Idaho Transportation Department (ITD) strives to make available to the citizens of Idaho the finest transportation system via new construction projects and management of statewide assets and has authorized the use of a Grant Anticipation Revenue Vehicle (GARVEE) bonded program; and

WHEREAS, the use of future federal funds today will save the state money in the future; and

WHEREAS, Title 40, Chapter 3 and Title 67, Chapter 62 of the Idaho Code, as amended, authorizes the Idaho Housing and Finance Association (IHFA), to issue

bonds for the purpose of funding a highway capital improvement program (the “GARVEE Program”) for financing all aspects of the construction of highway projects eligible for federal reimbursement as recommended and approved by the Idaho Transportation Board (ITB or Board); and

WHEREAS, the ITD, the ITB, and the IHFA have entered into a Master Financing Agreement, as supplemented, with respect to the bonds; and

WHEREAS, refunding such bonds promotes the purposes of the GARVEE Program, is in the public interest, serves a public purpose for the benefit of the people of the State of Idaho, provides a reduction of debt service and constitutes a proper exercise of the authority particularly set forth in I.C. 40-315; and

WHEREAS, Idaho Code Sections 40-315 and 67-6210 provides the ITB and the IHFA the authorization to approve a total bond amount, and authority to issue bonds for transportation projects, on amounts authorized by the Idaho Legislature in; Legislative Session 2006 House Bill 854, Legislative Session 2007 House Bill 336, Legislative Session 2008 House Bill 657, Legislative Session 2009 Senate Bill 1186, Legislative Session 2010 Senate Bill 1427, Legislative Session 2011 House Bill 285 and Legislative Session 2017 Senate Bill 1206; and

WHEREAS, there will be prepared a Preliminary Official Statement relating to each series of the bonds and the distribution thereof to potential bond purchasers and the distribution to all actual purchasers of the bonds of a final Official Statement relating to the bonds to be authorized; and

WHEREAS, other bonding documents will also be needed to be executed setting forth the applicable series of bonds.

NOW THEREFORE BE IT RESOLVED, by the Board as follows:

1. Pursuant to the Act, the ITB approves the Projects referenced and defined below and recommends to IHFA the financing thereof through the issuance of the bonds in an aggregate principal amount not to exceed \$219,377,500 comprising of: \$60,877,500 to refund the callable portion of the Series 2011A bonds if IHFA determines such refunding is feasible with savings; and \$158,500,000 for the construction projects approved by the ITB for work: I-84 Meridian to Caldwell in the amount of \$158,500,000, provided that if savings are determined on one or more projects, such savings may be allocated to any other projects in the corridors listed in Section 40-315, Idaho Code, as amended, which are hereby approved and recommended; and provided that: (a) the ITD and the ITB have entered into the Master Financial Agreement and a supplement thereto relating to the bonds; and (b) the ITD has provided to the IHFA all of the certificates, documents and information required under Idaho Code Section 67-6210(k). All of said Projects are within the scope specified in Legislative Session 2017 Senate Bill 1206 and Section 40-315, Idaho Code, as amended. Further, the said funds are necessary to meet

program obligation requirements and are to be used and disbursed in accordance with US Treasury regulations for tax-exempt bonds. The bonds are to be issued at prevailing market rates of interest.

2. The Chairman and/or Director is hereby authorized and directed, for and in the name and on behalf of the ITB to execute the following bonding documents and any other documents required for the closing of the bonds setting forth the terms of the applicable series of bonds together with such additions or changes in the form thereof as may deem necessary or advisable, such approval to be conclusively evidenced by the execution of said bonding documents as so added to or changed.

Final Official Statement

Supplemental to Master Financial Agreement

Master Trust Indenture

Series Trust Indenture

3. Further, the Board and ITD will keep books and records of all expenditures and will make a reimbursement allocation, which is a written allocation that evidences the use of proceeds of the bonds for Project expenditures no later than 18 months after the later of the date on which the expenditure is paid or the related Project is placed in service or abandoned, but in no event more than three years after the date on which the expenditure is paid. Finally, that this resolution evidences the Board's intent and reasonable expectation under Treas. Reg. Section 1.150-2 (d)(1) to use the proceeds of the bonds to pay certain costs of the Projects and to reimburse the Board and ITD for expenditures for the costs of the Projects paid prior to the issuance of the bonds to the extent permitted by federal tax regulations.

Chairman Moad thanked Controller Tolman for the presentation.

Status: FY22 Appropriation Request – Governor's Recommendation. Financial Officer (FO) – Financial Planning and Analysis Justin Collins summarized the Governor's recommended FY22 appropriation request. The changes from the request submitted to the Division of Financial Management and Legislative Services Office increase the change in employee compensation from 1% to 2% and reduce variable benefit costs. The net change is a decrease of \$1,337,600 for a total of \$667,454,800. Additionally, the Governor recommended a \$203 million FY21 supplemental request increase of \$273,000 from COVID Relief Act for public transportation; \$6,000,000 and \$71,023,000 for contract construction and right of way acquisition from the Omnibus Bill and COVID Relief Act, respectively; and \$126,000,000 in state funds for Building Idaho's Future.

Chairman Moad thanked FO Collins for the appropriation update.

January 21, 2021

Update on the Snake River Rest Area Sewer Line. District 3 Engineer (DE) Caleb Lakey provided an update on efforts to pursue a permanent fix for the sewer concerns at the I-84, Snake River Rest Area in District 3. ITD and the City of Fruitland signed a memorandum of understanding related to the concept of and desire to jointly pursue connecting the sewer line from the rest area to the municipality's system. A gravity sewer alignment has been established; property owners have been contacted; and the sewer alignment survey has been completed. The Idaho Department of Environmental Quality approved the technical, financial, and managerial document and preliminary engineering report. The preliminary design plans and the gravity line easements and installation should be completed in early spring, with the full bid plans ready in late spring.

Board Unallocated Funding Request – Black's Creek Well Replacement, District 3. Facility Program Manager Tony Pirc said the wells for the eastbound and westbound Black's Creek Rest Areas along I-84 were drilled in 1966. They were designed as a redundant system. If something happened to one well, the other one could continue serving both facilities. The eastbound well has failed, and he believes it is important to address it before irrigation season begins. He recommends digging a new well, estimated at \$500,000.

Member DeLorenzo expressed support to use Board Unallocated funds, as this is an unexpected expenditure and the well that failed needs to be addressed. Chairman Moad concurred that the intent of the revised policy on Board Unallocated Funds is for the District Engineers to identify needed projects.

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. ITB21-03 WHEREAS, it is in the public's interest for the Idaho Transportation Department to publish and accomplish a current, realistic, and fiscally constrained five year Idaho Transportation Investment Program (ITIP); and

WHEREAS, the Idaho Transportation Board is charged with considering the safety and convenience of the highway users; and

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

WHEREAS, ITD staff has worked with SPF Water Engineers to identify options for the Black's Creek Rest Area Well Replacement; and

WHEREAS, ITD is prepared to incorporate this project into the approved ITIP.

NOW THEREFORE BE IT RESOLVED, that project I-84, Black's Creek Rest Area Replacement be added to the ITIP at a cost of approximately \$500,000 using FY 2021 Board Unallocated Funds; and

BE IT FURTHER RESOLVED, that the Board approves the staff request to adjust the Program and amend the approved FY 2021 - 2027 ITIP accordingly.

Chairman Moad thanked staff for the rest area presentations.

Board Unallocated Funding Request – US-20, Island Park Rumble Strip Project, District 6. DE6 Jason Minzghor said the District has been meeting with stakeholders, including Idaho State Police and local officials, to discuss safety concerns with US-20 in the Island Park area. In an effort to improve safety, he is requesting Board Unallocated funds to install rumble strips from milepost 363.30 to 406.30 and to widen the pavement markings from 4” to 6” lines.

Member Hoff acknowledged the safety concerns on this highway and expressed support for this project. Chief Operations Officer Dan McElhinney added that this is a short-term solution. Ideally, the highway should be widened to four lanes. There have also been requests to lower the speed limit; however, studies do not support that. He believes this project along with enforcement and education will improve safety.

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

RES. NO. WHEREAS, the Idaho Transportation Board supports the Idaho Transportation
ITB21-04 Department mission of safety, mobility, and economic opportunity; and

WHEREAS, this section of US-20 has an above average accident rate; and

WHEREAS, installation of rumble strips have been shown to increase safety of the roadways and reduce serious injury and fatality type accidents; and

WHEREAS, it is in the public interest for ITD to fund US-20, Island Park Rumble Strip Project; and

WHEREAS, ITD is prepared to incorporate this project into the approved Idaho Transportation Investment Program (ITIP).

NOW THEREFORE BE IT RESOLVED, that US-20, Island Park Rumble Strip project be added to the ITIP at a cost of approximately \$500,000 using Fiscal Year 2021 Board Unallocated Funds; and

BE IT FURTHER RESOLVED, that the Board approves the staff to adjust the Program and amend the approved FY 2021-2027 ITIP.

Board Unallocated Funding Request – US-20, Island Park Tree Removal, District 6. DE6 Minzghor also proposed removing trees within 100 feet of the center line along US-20 in Island Park from milepost 375.5 to 394.6 to improve safety. The trees are inside ITD’s easement and the property is owned by the U.S. Forest Service. Of the \$1,120,000 project request from Board Unallocated Funds, \$20,000 would be used to purchase the trees from the Forest Service.

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, the Idaho Transportation Board supports the Idaho Transportation
ITB21-05 Department mission of safety, mobility, and economic opportunity; and

WHEREAS, removal of trees will increase the visibility along the corridor; and

WHEREAS, removal of trees will remove obstructions within the clear zone of the roadway; and

WHEREAS, it is in the public interest for ITD to fund the US-20, Island Park Tree Removal Project; and

WHEREAS, ITD is prepared to incorporate this project into the approved Idaho Transportation Investment Program (ITIP).

NOW THEREFORE BE IT RESOLVED, that US-20, Island Park Tree Removal project be added to the ITIP at a cost of approximately \$1,120,000 using Fiscal Year 2021 Board Unallocated Funds; and

BE IT FURTHER RESOLVED, that the Board approves the staff to adjust the Program and amend the approved FY 2021-2027 ITIP.

Addition of Junction I-15 Connector, District 6. District 6 Engineering Manager Karen Hiatt requested adding a project to the Early Development Program to improve the safety and mobility of the I-15 and US-20 connection and adjacent interchanges in Idaho Falls. Due to the current volume of traffic, this area has become a bottleneck and a safety concern. The Planning and Environmental Linkage Study has been finalized, and the proposed alternatives have been narrowed. The inclusion of the project in the Early Development Program would allow completion of the National Environmental Policy Act document, environmental clearance, and field investigations or surveys needed to complete 30% of the design. Completing this work would allow flexibility to take advantage of future funding.

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

RES. NO. WHEREAS, the Idaho Transportation Board supports the Idaho Transportation
ITB21-06 Department mission of safety, mobility, and economic opportunity; and

WHEREAS, Board Policy 4031 allows upon request the addition of projects into the Early Development Program of the Idaho Transportation Investment Program (ITIP); and

WHEREAS, allowing National Environmental Policy Act (NEPA) and development to proceed on the US-20, Jct. I-15 Connector, Idaho Falls project, will provide flexibility to take advantage of future funding; and

WHEREAS, the Department has completed extensive data collection, agency coordination, alternatives screening, environmental analysis, and public outreach

through a Planning and Environmental Linkage Study to narrow possible alternatives for this complex project; and

WHEREAS, having a completed NEPA document and 30% design complete reduces the schedule and timing risks associated with complex projects; and

WHEREAS, it is in the public interest for the Department to fund finalization of a NEPA document and preliminary project development for the US-20, Jct. I-15 Connector, Idaho Falls project.

NOW THEREFORE BE IT RESOLVED, that US-20, Jct. I-15 Connector, Idaho Falls project key #22222 be adjusted in the Early Development Program of the ITIP to add NEPA document and preliminary project development work at a cost of approximately \$3,510,000, funds being offset from key #20065, key #20486, and key #22444; and

BE IT FURTHER RESOLVED, that key #22444 be removed from the ITIP; and

BE IT FURTHER RESOLVED, that the Board approves the staff to adjust the Program and amend the approved FY 2021-2027 ITIP accordingly.

Chairman Moad thanked District 6 staff for the presentations.

Revisions to Board Policy 4011 Idaho Transportation Investment Program. Program Management Office Manager (PMOM) Randy Gill presented revisions to Board Policy 4011 Idaho Transportation Investment Program and the corresponding Administrative Policy 5011. The modifications bring the policy up to date and address current procedures and best practices.

Vice Chairman Kempton expressed concern with removing the reference to Board Policy 4028 regarding redistribution of obligation authority that increases Idaho's apportionment allotments. The consensus of the Board was to reinsert the reference to Board Policy 4028 in Board Policy 4011 and the corresponding Administrative Policy 5011.

Vice Chairman Kempton made a motion, seconded by Member Vassar, and passed 6-0 by individual roll call vote to approve the following resolution with the understanding that reference to Board Policy 4028 will be reinserted into the policies:

RES. NO. WHEREAS, the Idaho Transportation Board is charged with setting policies for
ITB21-07 the Idaho Transportation Department; and

WHEREAS, Board Policy 4011 Idaho Transportation Investment Program was developed to provide guidance and procedures for developing and updating the Idaho Transportation Investment Program; and

WHEREAS, Board Policy 4011 Idaho Transportation Investment Program contains outdated information and guidance.

NOW THEREFORE BE IT RESOLVED, that the Board approves revisions to Board Policy 4011 Idaho Transportation Investment Program and concurs with revisions to Administrative Policy 5011 Idaho Transportation Investment Program, deleting outdated information that is no longer applicable and providing current guidance and best practices.

Chairman Moad thanked PMOM Gill for the policy revisions.

Executive Session on Legal and Personnel Issues. Member DeLorenzo made a motion to meet in executive session at 10:55 AM 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) and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

The discussions on legal matters related to the acquisition of property and operations. The discussions on personnel matters related to the performance of an employee.

The Board came out of executive session at 12:00 noon; however, it took a break and reconvened in the open session at 12:30 PM.

Administrative Settlement over \$200,000. Right of Way Manager Justin Pond said Board Policy 4005 Management of Department-owned Property requires Board approval for administrative settlements exceeding \$200,000. He requested an administrative settlement, which is an offer in excess of the approved just compensation used under certain circumstances to motivate amicable settlement with an owner and avoid recourse to legal proceedings, for the US20/26, Phyllis Canal Bridge to SH-16 project, key #20367 in District 3.

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 Idaho Transportation Department is acquiring right of way
ITB21-08 along US-20/26 for Project No. A020(367), key #20367; and

WHEREAS, the Department and the property owner have engaged in good faith negotiations; and

WHEREAS, both parties agree that additional payment is justified in order for the Department to fairly compensate the property owner.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves an administrative settlement in the amount of \$374,574.00.

Chairman Moad thanked Right of Way Manager Pond for the presentation.

Aeronautics' Annual Report. On behalf of the Aeronautics Advisory Board (AAB), Chairman Mark Sweeney and Member John Blakley reported on activities in the aviation industry. Corporate travel was down significantly in 2020 due to COVID-19. The Moscow Pullman airport is pursuing acquiring adjacent right-of-way to address Federal Aviation

Administration restrictions due to rising terrain. Eastern Idaho is seeing increased general aviation activity and more hangars are being constructed. The Twin Falls Airport is completing improvements to its facility and has a runway rehabilitation project scheduled in spring. Backcountry activity was down in the state; however, the Idaho Department of Fish and Game is increasing access to backcountry airstrips.

Aeronautics Administrator (AA) Jeff Marker summarized the Division's activities. Revenue is currently down about 30% due to COVID-19. Construction continues on the Division's new facility and staff expects to be in the new building towards the end of February. He is serving on a legislative committee on intra-state commercial air service. The intent is to reestablish air service within the state. Because it may be difficult for carriers to be profitable, incentives may be required for them to operate in Idaho.

AA Marker said another pilot was hired. The position is responsible to oversee the unmanned aircraft systems program. Flight operations were down in 2020. The King Air flew 108 hours, compared to 193 hours in 2019 and the number of passengers decreased from 896 to 364. The Kodiak transported 223 passengers during 149 hours of flight in 2020, compared to 525 passengers and 225.7 hours in 2019. Some of the safety and education outreach activities included partnerships on mountain flying safety and publication of the Rudder Fludder. Three of the 32 total accidents resulted in fatalities in 2020, similar to the 31 total accidents and 3 fatal accidents in 2019. Idaho received \$50.4 million in federal CARES Act Funding, with the Federal Aviation Administration responsible for the distribution of those funds. According to a recently completed study, Idaho's airport system has a total economic impact of 33,460 jobs, earnings of \$1.3 billion, and \$2.4 billion in gross domestic product, resulting in a total impact of \$4.9 billion. In closing, he summarized efforts to maintain and manage the state's 31 backcountry airstrips.

Chairman Moad thanked the AAB members and AA Marker for the informative reports and for their valuable service.

Human Trafficking Overview and Awareness. Executive Assistant to the Board Higgins provided background on the human trafficking presentation. The U.S. Department of Transportation is encouraging transportation leaders to take an active role in combatting human trafficking. Director Ness brought this topic to ITD and assigned it to the Strategic Safety Team. The Team determined that it should start by raising awareness about human trafficking within the Department. It also reached out to Idaho State Police, the lead agency on this topic, and will partner with it on future activities.

Shauna Miller, Public Transportation Grants/Contracts Officer, said one of her goals as part of her safety oversight responsibilities is to raise awareness about human trafficking. She defined human trafficking and emphasized that it is happening in Idaho. She provided statistics on the crime and mentioned ways to identify victims. She has coordinated several presentations to ITD teams and at Public Transportation Summits. The Department has made a concerted effort to inform employees about human trafficking; posted flyers in its facilities, including rest areas; and provided material to transit agencies.

Chairman Moad thanked Ms. Miller for the informative presentation and for her efforts to combat human trafficking.

Strategic Plan Update. Director Ness presented the updated Strategic Plan. The mission and vision are the same: Your Safety, Your Mobility, Your Economic Opportunity and to become the best transportation department in the country, respectively. The main changes from the 2011 document are the additional focus on employees and changing from what we will measure to what success looks like. He plans to request approval of the updated document next month.

Chairman Moad thanked Director Ness for the update.

Road Usage Charge (RUC) West Update. Matthew Moore, Transportation Legislation Policy Specialist (TLPS) said RUC West is comprised of 17 states that are sharing resources to investigate road usage charging as a revenue collection method. Idaho participates on committees, contributes planning and research funds to conduct research, and monitors trends. A pay-by-the-mile system could replace or offset the loss of fuel tax revenue and could be more equitable.

Washington implemented a pilot project in 2018. It invited participants from surrounding jurisdictions to understand how a system could work across borders. Eight Idahoans enrolled. The Washington legislature is addressing revenue losses, including losses due to COVID-19, and may consider a 2021 revenue package with RUC applied to a small program for electric vehicles. It received another federal research grant to assess the equity impacts of switching from a gas tax to a road usage charge. TLPS Moore also summarized some other states' RUC activities.

In response to Chairman Moad's question, TLPS Moore replied that in theory a geographic positioning system would know when a vehicle is traveling off-road, so would not apply a road usage charge for those miles. He added that the RUC rate per mile could be indexed to inflation or adjusted on a regular basis.

Chairman Moad thanked TLPS Moore for the informative presentation.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:10 PM.

signed

BILL MOAD, Chairman
Idaho Transportation Board

Read and Approved
February 18, 2021
Pocatello, Idaho

January 21, 2021