

REGULAR MEETING  
IDAHO TRANSPORTATION BOARD

January 24, 2024

The Idaho Transportation Board met at 8:30 AM on Wednesday, January 24, 2024, in Boise, Idaho. The following principals were present:

William (Bill) H. Moad - Chairman  
James R. Thompson – District 1  
Gary Osborn - District 2  
Julie DeLorenzo – Vice Chair, District 3  
Jim Kempton, Member – District 4  
John Bulger, Member – District 5  
Bob Hoff, Member – District 6  
Scott Stokes, Director  
Chief Deputy/Chief Operations Officer Dan McElhinney  
Lorraine Dennis, Business Executive to the Board  
Tim Thomas, Deputy Attorney General

Sign Shop Tour. The Board toured the traffic sign shop located at the District 3 office.

Safety Share. Flight Operations Director Tim Steffens reported on the multiple use of Unmanned Aircraft System (Drone) technology to mitigate employee safety risks. It also provides the opportunity to collect and share data.

Board Minutes. Member Osborn made a motion to approve the minutes of December 13, 2023, seconded by Member Hoff, and the motion passed unanimously.

Board Meeting Dates. The next meeting is February 21, 2024 in Boise.

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

RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-  
ITB24-01 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.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the contracts for award.

1) Contract to award. The low bids on the following projects are more than ten percent over the engineer's estimate, requiring justification. KN#20726, bridge repair, I-15, District 6:

contractor: Cannon Builders for \$872,498.00. KN#23810 SIA, striping, I-86 & I-15, District 6:  
contractor: Clear Zone Construction for \$888,140.28.

Informational Items.

1) Contract awards and advertisements. There were six ITD and no Local contracts awarded that did not require Board approval for the month of December 2023. Year to date, from December 1, 2023 to December 31, 2023, 22 ITD and 10 Local contracts were bid, of which six ITD and four Local contracts requiring Board approval were awarded.

The list of projects currently under advertisement was provided.

2) Professional services agreements and term agreement work tasks report. From November 20, 2023 to December 24, 2023, 19 new professional services agreements and work tasks were processed, totaling \$9,065,407. No supplemental agreements to existing professional services agreements were processed during this period.

3) Administrative settlements in right of way acquisition report. During the semi-annual period of July 1, 2023 through December 31, 2023, the Right of Way Section processed 88 parcels. Of the 88 parcels, 40 parcels had an Administrative Settlement. Parcels where right of way acquisitions are ongoing have been excluded and will be provided on future reports.

4) Monthly report of federal formula program funding through January 2. Idaho received \$184.2 million in obligation authority (OA) through January 19, 2024 via a continuing resolution. It includes \$35.2 million of Highway Infrastructure General Funds and \$45 million in Bridge Formula funds. FY24 OA through January 19<sup>th</sup> is 38.7% of apportionments. Allotted program funding through January 19<sup>th</sup> is \$198.8 million with \$233.8 million remaining as of January 2<sup>nd</sup>.

5) Non-construction professional services contracts. Board Policy 4001 states, 'Each month the Chief Administrative Officer shall report to the Board all non-construction professional service agreements entered into by the Department.' One agreement was executed during the previous month to Catch Intelligence for data analytic strategic planning for \$90,000.

6) Annual report on status of state-owned dwellings. The department owns three stick framed houses, 25 manufactured homes, six bunkhouses, and one manufactured home at Johnson Creek and one at Cavanaugh Bay Air Strips that are used seasonally. In addition to the houses, 11 locations have employee owned manufactured housing on ITD provided trailer pads. ITD also owns seven trailer pads and four houses at rest area locations around the state. Currently, they are actively engaged in the construction of seven new homes.

7) FY24 financial statements. Revenues to the State Highway Account from all state sources as of November 30 are ahead of forecast by 4.7% and revenues in the Highway Distribution Account are up 4.7%. State revenues to the State Aeronautics Fund are slightly below forecast by 5.0%. The Department's expenditures were within planned budgets.

Personnel costs savings of \$2.5 million is due to vacancies and timing. Contract construction cash expenditures in the SHA are \$319.7M for the first five months, and total construction expenditures from the five different funds sources total \$508.5M.

The balance of the long-term investments was \$180.4M as of the end of November. These funds are obligated against construction projects and encumbrances. The cash balance is \$112.5M. Expenditures in the Strategic Initiatives Program Fund is \$67.9M. Deposits into the Transportation Expansion and Congestion Mitigation Fund is \$50.3M. The Federal CARES Act provided \$27.3M for public transportation. FY24 expenditures are \$2.5M. Expenditures for the TECM bond program during this period is \$96.6M and \$11.3M for GARVEE.

Member Kempton. Chairman Moad announced this is Member Kempton's last board meeting as he is retiring after two six-year terms with the Board. Member Kempton thanked staff for their leadership and dedication.

Chairman Moad introduced Member Kempton's District 4 replacement, Mitch Watkins, whose term starts next month. Member Watkins' gubernatorial appointment is pending senate confirmation, but was present to meet board members and staff.

Director's Monthly Report. Director Stokes thanked Member Kempton for his service not just on the Board, but throughout his career with the Airforce and state legislature – noting how invaluable his analysis and insight has meant to ITD and the community.

Director Stokes reported on ITD's 50-year benchmark, the Governor's FY25 budget recommendations and line items, an upcoming workshop, a new employee recognition program, community engagement, DMV's online Skip the Trip, recognition received for employees, and shared a video featuring the staff who operate ITD's snow plows. Some highlights included this year marks the 50-year anniversary of the creation of ITD incorporating aeronautics and public transportation functions. It was effective July 1, 1974. Prior to that, it was the Highway Department since its inception in 1950. The Governor's FY25 budget recommendation includes funding for his Idaho Works Initiative and increases TECM funding by \$50 million. The FY25 budget includes funding for a new headquarters' maintenance operations facility at Chinden Campus, sight development and design for a new District 4 administrative office, and 53 additional positions for workforce planning.

Director Stokes stated ITD will hold a workshop next month as part of the board meeting to discuss investments in pavement and other projects. The new Recognizing ITD's Super Employees (RISE) program was implemented, which is an employee developed program established to recognize peers. Over the summer, the executive leadership met with employees and again with supervisors around the state to receive feedback. He gave special thanks to Chief Innovation Experience Officer Brenda Williams for her service on AASHTO's Human Resources Committee and Legal's Lisa Hoag who receive the Wyakin Foundation Volunteer of the Year Award. He concluded with and ITD produced video showcasing the staff behind the snowplow.

In respect to the recent increase in snowplow strikes, Member Kempton suggested staff consider legislative remedies. He stated fines may not be the solution, but noted the effort accomplished with increased penalties in work zone areas to enhance safety.

Legislative Update. Government Affairs Manager Colby Cameron stated the legislative session began January 8 with the Governor's State of the State address. The legislature has made record investments in transportation. Because the State's revenue forecast was not as strong as anticipated, budget proposals are being held to those projections. He reported on the Governor's recommendations for continued support in transportation investments using general fund revenue - noting user fees were not raised. The Joint Finance Appropriation Committee has already set ITD's program maintenance budget and will review remaining items at its February 8<sup>th</sup> budget hearing. Director Stokes presented ITD's agency report to both the House and Senate Transportation Committees earlier this week. ITD's rules were approved by the Senate Transportation Committee and ITD's three legislative proposals were introduced in the House Transportation Committee.

FY25 Appropriation request – Governor's recommendation. Controller Justin Collins introduced Dan Hansen who is the new Financial Services Manager.

FSM Hansen reviewed changes to ITD's FY25 appropriation request reflecting the Governor's recommendations for enhancements and adjustments to line items. Some highlights included \$2 million was added for Local bridge maintenance (Idaho Works Initiative) and \$50 million for Transportation Expansion & Congestion Mitigation investment. Change in Employee Compensation (CEC) was increased from 1% to 3% for a total of \$3.8 million. Replacement equipment was reduced by \$57,800, employer costs for employee insurance reduced by \$2.3 million, and the \$11 million for TAMS re-solicitation was removed. With the adjusted base of \$830.1 million, the total FY25 appropriation request is \$1.023 billion. Total program funding, including debt service and the Strategic Initiatives Program fund, is \$1.305 billion.

In response to Member Hoff's question about CEC and the 1% pay line shift, FSM Hansen stated employees would still be eligible to receive the additional 2% merit-based increase on top of the pay line adjustment.

Inflation and construction cost trends update. Chief Deputy Director Dan McElhinney stated this is staff's 6<sup>th</sup> update on inflation and construction cost. Provided in the board materials are project lists for bid award amounts totaling \$1.62 billion from October 2021 (FFY21) to January 2024 (FFY24), and projects planned for advertisement – January through April 2024.

Division Administrator Construction & Operations Dave Kuisti provided an update on inflation and construction costs. Some highlights included ITD has seen inflation of 20 – 30% since summer 2021, but seeing a flattening on unit prices and bids for 2023. Bids are leveling or declining on asphalt, rebar and cement overall. He reviewed cost indicators for diesel fuel,

asphalt, metal reinforcement and concrete. In FFY 2022, 69 state infrastructure projects were awarded with total bids equal to \$752.4 million, of which 2% were under the engineer's estimate (EE). In FFY 2023, 61 projects were awarded with bids totaling \$595.7 million, of which 11% were under EE. So far in FFY24, 16 projects have been awarded totaling \$280.2 million and 2.5% were above EE. ITD continues to average three bidders per project. DA Kuisti also reported on ongoing industry partnering efforts such as executive and pre-bid contractor outreach meetings, implementing a new partnering guide to help resolve issues and updating specifications, and continuing with allowances for fuel and asphalt price adjustments. In 2023, a construction partnering workshop was held to provide training to contractors, consultants and ITD staff. DA Kuisti provided updates on the US-95 Thorn Creek to Moscow, I-86/I-15 System Interchange, and SH-16, I-84 to US-20/26 (Phase II) projects.

In response to Member Osborn's question regarding locking in prices for fuel and liquid asphalt, DA Kuisti confirmed that ITD does index – 10% for fuel and 20% for asphalt.

Transportation Expansion & Congestion Mitigation (TECM) program capacity and market update. Division Administrator/Planning and TECM Program Amy Schroeder provided a review of the TECM program and bonding, revised project funding, funding sources, projects planned to be funded and projects in development. Some highlights included the TECM program began in 2021 where staff identified \$9 billion unfunded high priority needs, the Governor passed \$80 million guaranteed funding to be use as debt service, and the Board approved 13 TECM corridors statewide. The first two bond sales were in 2022 and 2023 respectively – with the third one in the next one two months and the final one later in 2024 or early in 2025.

DA Schroeder stated over the last two months, staff has finalized project costs and made adjustments to the proposed TECM 2024A series bonds revising total costs from \$400 million to \$372 million. Notable changes include the decision to not include funding for the three new development projects to see what action the legislature takes on Strategic Initiatives and TECM funding. Total projected funding for FY22 to FY30 dedicated to TECM projects is \$2.8 billion. Currently, there are 11 TECM bonded construction projects awarded from 2022 to 2024 totaling \$786.4 million. Six construction projects and \$10 million additional design and right of way on three projects were identified to utilize the TECM 2024A bond funds. There is approximately \$350 million in remaining bonding capacity. Projects selected will be based on project readiness and require Board approval. Grant funding is an option for some projects that may not be funded through the TECM program. Staff will revisit projects in development based on outcomes from the legislature on potential additional TECM funding.

In response to Member Hoff's question regarding the initial \$9 billion unfunded high priority needs, DA Schroeder responded those needs identified back in 2021 was a starting place and the TECM program is helping to satisfy some of those unmet needs.

In response to Member Osborn's question about the status and priority of US-95, Spalding Bridge and US-12, Arrow Bridge projects in development, DA Schroeder stated both those projects are good candidates for grant funding. Development will continue; however, selection

will be based on project readiness. More than likely, the Spalding Bridge will be ready before the Arrow Bridge.

Controller Justin Collins provided an update on the TECM 2024A bonding series progression. Some highlights included, because Citigroup is no longer in the municipal market, Bank of America and JP Morgan have been selected. Interest rates are lower than expected for the anticipated sale amount of \$372 million. ITD will receive the final ratings and post preliminary official statement by the first of next month, followed by the bond sale and then closing anticipated March 4<sup>th</sup> to 18<sup>th</sup>.

Request to increase agreement authorization for the US-12, Clearwater River Memorial Bridge project. State Design Engineer Monica Crider presented the request for professional services agreement authorization for the US-12 Clearwater River Memorial Bridge project by HDR Engineering. The project retrofits the existing structure to provide a widened bridge crossing that meets current standards. With the 2023 construction, engineering and inspection (CE&I) services agreement (\$993,285) the total 2024 agreement is \$2,531,000.

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

RES. NO.        WHEREAS, Board Policy 4001 requires the Transportation Board to approve  
ITB24-02        professional services agreements that exceed \$1 million; and

WHEREAS, District 2 will administer this project; and

WHEREAS, the agreement will not be written until the funding has been scheduled and obligated.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves Key No. 20513, US-12, Clearwater River Memorial Bridge, Nez Perce County to exceed the \$1 million agreement authorization up to \$2,531,000.

Request to increase agreement authorization for the I-90, Osburn to Wallace and I-90, Big Creek projects. State Design Engineer Monica Crider presented the request for professional services agreement authorization for the I-90, Osburn to Wallace and I-90, Big Creek projects by HDR Engineering. The phased project is to remove the existing deteriorated concrete pavement and replace with new asphalt. Phase I was completed in 2023 and Phase 2 will be done in 2024. With the current agreement (\$755,777) the total cost extended agreement cost is \$1,861,000.

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

RES. NO.        WHEREAS, Board Policy 4001 requires the Transportation Board to approve  
ITB24-03        professional services agreements that exceed \$1 million; and

WHEREAS, District 1 will administer this project; and

WHEREAS, the funding is available and obligated for these services.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves Key No. 20684, I-90, Osburn to W. Wallace, Shoshone County, and Key No. 22772, I-90, Big Creek to MP 58.5, Shoshone County to exceed the \$1 million agreement authorization up to \$1,861,000.

Lunch with the Aeronautics Advisory Board (AAB). The Board recessed to have an informal joint lunch session with the AAB.

Aeronautics Advisory Board (AAB) and Division of Aeronautics annual updates. AAB Chairman John Blakely reported on Leading Idaho and Idaho First priorities, commercial air service, flight operations, and backcountry safety. Some highlights included many of the Lead Idaho projects are in the planning stage with each of the primary airports receiving \$1 million. The AAB is looking into industry best practices on flight operations and the opportunity to use simulator training towards credited flight hours. Due to limited grant funding for web cameras, staff is pursuing co-location opportunities with State Communications to install high level cameras for in-route weather safety conditions.

Aeronautics Administrator Thomas Mahoney provided an update on the Division of Aeronautics administration, flight operations, airport projects, Unmanned Aircraft Systems (UAS) program, airfield management, safety and education, and search and rescue activities. Some highlights included a new performance metric was established based on the average aircraft fatal accident rate over 5-years, which is currently 2.71. Through the efforts of a new employee, the aircraft registration process was reduced by two months. In 2023, the total flight hours for ITD's three state planes was 411 – noting, most of those hours were operated by one pilot. AA Mahoney expressed the need to fill the two vacant pilot positions. Staff inspects 40 airfields annually. The Idaho Airport Aid Program's base budget is \$1 million. Aeronautics also received \$6.4 million in Leading Idaho funds and \$35 million in Idaho First funding. In 2023, a research project was established for the UAS program leveraging partnerships amongst ITD's divisions and the formation of a UAS committee to review policy and flight operations. Aeronautics manages 32 backcountry airstrips providing access to recreation and firefighting efforts. AA Mahoney provided an update on projects completed, maintenance performed, and future work planned. Staff spent 84 hours supporting search and rescue efforts. In 2023, there were 34 accidents with four fatalities.

Member Hoff commented he would like to see web cam coverage of the runway to help assess surface conditions.

In response to Vice Chair DeLorenzo's question regarding funding for web cams, AAB Chairman Blakely stated it would be expensive. AA Mahoney offered they are researching funding opportunities with ITD's 511 program.

Executive Session on Legal and Personnel Issues. Vice Chair DeLorenzo made a motion to meet in executive session at 1:50 PM to discuss issues as authorized in Idaho Code Section 74-206 (b) and in Idaho Code Section 74-206 (f). Member Thompson seconded the motion and it passed unanimously by roll call vote.

The executive session discussion pertained to department operations on legal and personnel matters.

Administrative settlement over \$200,000. Right of Way Manager Justin Pond presented an administrative settlement for KN22165, Project No. A020(165) US20/26, I-84 to Middleton Road, Canyon County, Parcel 54.

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

RES. NO.        WHEREAS, the Idaho Transportation Department is acquiring right-of-way along  
ITB24-04        US 20/26, I-84 to Middleton Rd., for Project No. A022(165); and

WHEREAS, the Idaho Transportation 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 Idaho Transportation Department to fairly compensate the property owner of Parcel 54.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves an Administrative Settlement over \$200,000.00.

Administrative settlement over \$200,000. Right of Way Manager Justin Pond presented an administrative settlement for KN22715, Project No. A022(715) SH-55, Farmway Road to Middleton Road, Canyon County Parcels 14 and 15.

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

RES. NO.        WHEREAS, the Idaho Transportation Department is acquiring right-of-way along  
ITB24-05        SH-55, Farmway Rd. to Middleton Rd., Canyon County, for Project  
                         No. A022(715); and

WHEREAS, the Idaho Transportation 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 Idaho Transportation Department to fairly compensate the property owner of Parcels 14 and 15.



*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves an Administrative Settlement over \$200,000.00.

Administrative settlement over \$200,000. Right of Way Manager Justin Pond presented an administrative settlement for KN22715, Project No. A022(715) SH-55, Farmway Road to Middleton Road, Canyon County, Parcel 162.

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

RES. NO.        WHEREAS, the Idaho Transportation Department is acquiring right-of-way along  
ITB24-06        SH-55, Farmway Rd. to Middleton Rd., Canyon County, for Project  
                     No. A022(715); and

WHEREAS, the Idaho Transportation 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 Idaho Transportation Department to fairly compensate the property owner of Parcel 162.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves an Administrative Settlement over \$200,000.00.

WHEREUPON, the Idaho Transportation Board adjourned its regular monthly meeting at 2:44 p.m.

Signed

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WILLIAM H. MOAD, CHAIRMAN  
Idaho Transportation Board

Read and Approved  
February 21, 2024  
Boise, Idaho

Lorraine Dennis  
Business Executive to the Board