Thank you General Manning and good morning members of the Idaho Transportation Board.

This is the start of my third year with the Idaho Transportation Department. I am closing in on the middle of the five year vision for ITD that I outlined when I took this position. This morning, I would like to outline where we have been and where we are headed. But first, I would like to provide an update on what has taken place since the last Board meeting; give you a preview of what to expect over the next month, and have Chief Deputy Scott Stokes update you on some items.

Board Chairman Manning and I had the opportunity to tour all areas of headquarters and visit with the employees on December 23, 2011. We had a great time wishing everyone a Merry Christmas and listening to the employees. General Manning also took the opportunity to say good bye. We both found this to be a very energizing experience, both for us and the employees.

On December 28, 2011, I received a letter From the Legislative Services Office of the Idaho State Legislature. The letter stated that their audit has been completed for the fiscal year ending June 30, 2011. The conclusion was that ITD has complied with all laws, regulations, rules, grant agreements, and contracts which were audited for compliance. There were no findings or recommendations to report. This is a direct reflection on all the employees at ITD that take very
seriously their job to protect the taxpayer’s money, invest it as wisely as they can, and comply with all laws and regulations. This is another indication of ITD’s smart fiscal management.

On January 4, 2012, Chief Deputy Scott Stokes, Chief Operations Officer Paul Steinman, Chief Administrative Officer Mike Golden, Chief Engineer Tom Cole, Governmental Affairs Manager Mollie McCarty, and I met with representatives of several local agencies. These meetings continue our efforts to build our relationship with the locals. We discussed revenue enhancement, the Idaho Freight Study, the ITD Strategic Plan, the Accountability Report, and the upcoming legislative session. The next meeting is scheduled for February 13, 2012.

The Legislative Session opened on Monday, January 9, 2012 with the Governor’s State of the State address. I would now like to play a video clip from that address which highlights ITD and General Manning.

The Executive Teams from the Idaho Transportation Department and the Ada County Highway District met on January 10, 2012. The session was a workshop for both agencies to discuss their Strategic Plans and direction, and to share best practices. We will continue to meet with ACHD on a quarterly basis.

Last Friday, January 13, 2012 was the last day for Chief Technology Officer, Jon Pope at ITD. We will miss Jon’s personality and his talents. We wish him the best on his move to Australia.
Dave Tolman will be acting as the Chief Technology Officer until this position can be filled permanently.

The next month will be extremely busy with the Legislature in session. Governmental Affairs Manager Mollie McCarty and I will meet with Senate Transportation Chair Hammond and Representative Transportation Chair Palmer every other Wednesday morning. These meetings began last Wednesday.

The ITD presentation to the Joint Germaine Committee will be January 26, 2012 at 1:30 in the afternoon. Our presentation to the Joint Finance Appropriations Committee will be on Friday morning, February 10, the day after our Transportation Board meeting.

In addition to dealing with Legislative issues, the department will be involved in a number of other things during the next month.

The Idaho Future City competition will be conducted on Saturday, January 21, 2012. Many employees of ITD are directly involved in working with the students competing. This is an educational program for 6th to 8th graders where they design a city using SimCity software, make a scale model of part of their city, write an essay, and give a presentation on their city. An engineer mentor works with the team during the preparation for the competition. In its 21st year nationally, the Future City Competition is a proven program that helps encourage students to pursue engineering careers and helps teachers meet science, math, social studies, arts, and
language curriculum requirements. Winners made a presentation to Board last year; we’re looking at scheduling winners at future Board meeting.

On January 25, 2012, the ITD Executive Team will be meeting with the Executive Team from the Department of Labor to share ideas on the two department’s Strategic Plan. It is our goal that our plans are in alignment and can be integrated with plans from other agencies in Idaho that share common goals. We will have similar meetings with the Department of Agriculture on January 30, 2012, the Department of Commerce on February 2, 2012, and the Department of State Police on February 3, 2012.

ITD will hold its monthly meeting with the Federal Highway Administration on January 26, 2012.

Before I turn it over to Chief Deputy Stokes, I would like to acknowledge an award received by the Idaho Transportation Department by the American Council of Engineering Consultants and honor those ITD employees that received their 25 year award from the American Association of State Highway and Transportation Officials.

Recently ITD was selected as the best project in the structural systems category by the Idaho Chapter of the American Council of Engineering. Replacement of two bridges over the Portneuf
(PORT – NUFF) River is part of a 12--mile, $87.5 million U.S. 30 corridor improvement project between McCammon and Lava Hot Springs.

And now let’s honor our AASHTO 25 year award winners. If you are in the room please stand:

- Ed Bala
- Jim Carpenter
- Tom Cole
- Matt Farrar
- Nestor Fernandez
- Scott Gurnsey (Retired)
- Mary Harker
- Brent Jennings
- Devin Rigby
- Andrea Storjohann **STOR JO HAN**
- Loren Thomas

Let’s give this group a nice round of applause in appreciation for their service.

Now I would like to turn it over to Chief Deputy Stokes who will discuss performance measures, safety, the recent Transportation Management training, and two new appointees to Idaho Traffic Safety Commission.
(Scott Stokes gives his report. Brian Ness goes to podium. Scott Stokes turns it back over to Brian Ness when done.)
DIRECTOR’S BOARD REPORT

MARCH 14, 2012

Thank you Chairman Whitehead and good morning members of the Idaho Transportation Board.

Before I begin my report to the Board, I would like to take this opportunity to welcome our newest Board members, Jim Kempton and Julie DeLorenzo. All the employees at the Idaho Transportation Department look forward to working with both of you.
March madness continues on the basketball court and at the Idaho State Capitol. We anticipate that the session is nearing completion. Many ITD staff and Board members have been very involved in a number of legislative activities. Governmental Affairs Manager Mollie McCarty will cover all the activities in her report to the Board later in the agenda.

On February 13, 2012, ITD leadership met with representatives from the local agencies. I also met
with Stuart Davis, the Executive Director, of the Idaho Association of Highway Districts separately on February 23, 2012. Department staff also participated in the quarterly meeting with the Local Highway Technical Assistance Council on March 9, 2012. These meetings are held regularly basis to strengthen our partnership with the locals. We have many common issues and goals we are all trying to achieve in the transportation area; most notably continuing to maintain services during an era of declining revenues.
I met with the Idaho Trucking Association on February 14, 2012. The association had several concerns regarding weight limits for trucks.

The Capital for a Day was held in Fruitland on February 15, 2012. District Three Engineer Dave Jones and I represented ITD. There were very few transportation related questions. The primary issue was enforcement of truck weights and registrations.
On February 16, 2012, the department’s Leadership Team met. The primary focus of that meeting was to review the results of the organizational culture inventory. The Leadership Team reviewed results both from a department perspective and by individual areas. The Board will be receiving a briefing on this survey this afternoon.

The Positive Community Norms Conference was held in Boise during the week of February 21st. Many stakeholders from local government, the judicial, private sector, health organizations and educational institutions participated. The outcome
of this conference was that the Department, through research sponsored by the Office of Highway Safety, is exploring new innovative approaches to developing media messages to engage the community. In the coming months as this research project continues within the Office of Highway Safety, outcomes will be shared with you that will enhance our effort to continue Toward Zero Deaths on all Idaho roadways.

February 23 was national “Introduce a Girl to Engineering Day 2012”. Introduce a Girl to
Engineering is a national movement that shows young women how creative and collaborative engineering is and how engineers are changing our world. The National Engineers Week Foundation featured the Idaho Transportation Department in its newsletter recognizing its efforts to introduce 30 eighth grade girls from the Nampa School District to a variety of engineering topics at ITD Headquarters in Boise.

A special thanks to ITD employees Vanessa Miles, Tom Cole, Monica Crider, Amy Schroeder, Shanon
Murgoitio (MER GO TEA O), Paul Steinman, Ron Wright, Michelle George and many other ITD employees for their participation in making this event a success. Also a special thank you to Dave Butzier from URS/Connecting Idaho Partners, Dick Jacobson from CH2M Hill/Connecting Idaho Partners, and Lisa Vernon from Elite Edge Engineers for furnishing lunch and assisting with the marshmallow tower exercise.

On February 24, 2012, the Idaho Transportation Department was featured on the Idaho Public
Broadcasting network’s Idaho Reports. The story highlighted our cost of turnover at ITD, particularly in Transportation Technician ranks.

Representatives Marv Hagedorn and Shirley Ringo made positive remarks as they highlighted what our department is doing to save employee salary costs.

I would now like to play a clip from that broadcast.

(PLAY VIDEO CLIP)

I attended the Idaho Economic Summit on February 29, 2012. Transportation was mentioned as a key component to attracting new businesses to Idaho.

One of the themes was that if a business is looking
to locate in Idaho, state agencies need to work closely and quickly to minimize the impact of the regulatory environment. ITD was cited as a department that works closely with other agencies and responds quickly.

Also on February 29, 2012 two roving Ports of Entry employees from ITD’s District 4 escaped serious injury when they were involved in a three-vehicle crash on U.S. 93 north of Jerome.

Preston Buckley and Dan Scholl were in an ITD vehicle that was struck by a semi-truck that was
unable to stop. Both employees escaped serious injury. Mr. Buckley did sustain minor injuries.

On February 29, 2012 ITD was up to date on all employee performance reviews for the first time since 2008. Now that we have reached this milestone, we are committed to completing reviews timely in the future.

On March 13, 2012, I attended a meeting with the Department of Commerce as it works to attract
additional dairy product manufacturing companies to Idaho. Transportation will play a key role in attracting these industries as was the case when Chobanni Yogurt decided to relocate to the Twin Falls area.

On March 22, 2012, our Leadership will hold its monthly meeting with the Federal Highway Administration.
The ITD Leadership Team will meet on March 27 and 28, 2012. The focus will be on advancing the Strategic Plan.

The next Capital for a Day will be held in Garden Valley on March 28, 2012. Dave Kuisti from District Three will represent ITD at that event.

This concludes my March report to the Idaho Transportation Board. Are there any questions?
Thank you Chairman Whitehead. Good morning members of the Idaho Transportation Board. I am pleased to report on the many activities that have taken place since the March, 2012 Board meeting.

As you can see, today we are using our new video teleconferencing system. We anticipate
that this new system will provide much more reliability during our transportation board meetings than what the previous system provided. This system will also be available for other public meetings as well. Note that the microphones are much more sensitive than what you are used to. You may want to take this into account during sidebar conversations or when we break.
A lot of research went into finding the right equipment to meet our needs. I would like to thank Reid Lamson, Jeff Carpenter, Rachelle Swanson, Glenn Roberts and Chris Alden for all their work to make this a success.

On March 27, 2012, I met with State Police Director Colonel Jerry Russell. Our two departments continue to work very closely on a number of issues, most notably highway safety.
We are in the process of coordinating the two department’s Strategic Plans.

The Idaho Transportation Department’s Leadership Team met on March 27, 2012. The focus of that meeting was to incorporate the Strategic Plan across all areas of the department. The team endorsed the activities and associated measurements which will advance the three goals in the Strategic Plan.

Each member of the Leadership Team will now
develop plans for their areas (primarily divisions and districts) which are in alignment with the activities and measures approved by the Leadership Team. These will then be used by each supervisor at ITD to incorporate specific performance goals into every employee’s performance plan which are in alignment with the area plan and the goals of the department’s strategic plan. This process will be completed by July 1, 2012. This will be the first time that all employees at ITD have a
common review date with measurable performance goals that tie directly to the mission, goals, and strategic direction of the department.

Also on March 27, 2012, previous Idaho Transportation Director and Board Chairman General Darrell Manning was honored when Governor Otter announced that a street on the Gowen Field Air Base was named for him. I
would now like to play a video clip from that ceremony.

(Play video)

We want to congratulate General Manning on receiving this honor and thank him for his many years of service.

The Governor’s Capital for a Day was held on March 28, 2012 in Garden Valley. Dave Kuisti from District 3 represented the department at
that event. Most of the transportation questions focused on specific projects in the area.

On March 28, 2012, the Leadership Team met to discuss classification and compensation of employees.

On March 29, 2012, the Legislature adjourned for the year. The Governmental Affairs
Manager, Mollie McCarty will provide a more detailed report on the session in her report later in this Board meeting.

President Obama signed a 90-day extension of Federal transportation funding on March 30, 2012. This means that Federal funding coming to Idaho for transportation will remain at current levels through June 30, 2012.
The Executive Team has started discussions about transportation revenues in Idaho. You may recall the Governor’s Transportation Funding Task Force concluded that transportation in Idaho is under funded by a total of $543 million per year. Of that $543 million, $262 million annually is needed just to preserve the existing system. The Executive Team and other ITD experts met on April 2 and 3, 2012 to discuss possible alternatives. Once we develop final numbers and measured
outcomes, we will present these alternatives to the Board.

On April 5, 2012, Chief Operations Officer Paul Steinman and I met with Representative Mike Moyle and officials from the City of Middleton to discuss speed limits within their city. It was a productive meeting and very timely given that during the recent legislative session, ITD was given more control over setting speeds on state highways within city jurisdictions.
I met with Meridian Mayor Tammy DeWeerd on April 9, 2012. We discussed future projects of interest to the city.

On April 10, 2012, I received an e-mail from Janet Gallimore, Executive Director of the Idaho Historical Society and Teresa Luna, Director of the Idaho Department of Administration thanking ITD for their efforts to make the consolidation of state records under the Idaho State Historical Society a reality as of July 1,
2012. They specifically thanked Scott Swanson, ITD Records Program Manager for his efforts and testimony which allowed this to pass the legislature. We all appreciate Scott for his help and acknowledge his efforts.

On April 12, 2012, all the Board Members and I received a letter from the Independent Highway District in Sandpoint. The Highway District expressed their thanks to the Idaho Transportation Department’s District One office
for their assistance as the Highway District converted to brine as an anti-icing agent during this past winter. The letter specifically thanked John Perfect, District Operations Manager, Larry Flanagan, Shop Superintendent, Keith Viebrock, Vegetation Unit, and Shannon Thornton, Sandpoint Maintenance Foreman.

Thank you to John, Larry, Keith, and Shannon for their excellent public service to one of our key partners.
We recently learned that Sandra Healy from Internal Review earned her certification as a Government Financial Manager. She achieved this by successfully completing the course work and passing the examination offered by the Association of Government Accountants. She will have to complete at least 80 hours of continuing professional education every two years to maintain this certification. We congratulate Sandra on achieving this professional milestone.
Dr. Tom DeCoster and Mr. Jim Johnson met with the Executive Team to discuss how the Strategic Plan, the Organizational Culture Survey, realignment and associated classification changes, and leadership training at ITD all tie together and fit in to the Department’s mission, vision, and goals. Mr. Johnson briefed the Board at the March meeting on the results of the Organizational Culture Inventory. He and Tony Loomer from our Human Resources area have now visited
every District to discuss the results. Similar briefings will take place at Headquarters beginning April 17, 2012.

Next steps as we close the gap between the current organizational culture and the ideal culture which we wish to achieve will be to have all members of ITD’s Leadership Team take individual surveys on their behaviors. This survey will be somewhat similar to a 360 performance review. We will also be working
with the Transportation Board members to give and receive similar feedback. Once this data is collected, we will be ready to roll out recommendations for closing that gap.

Over the next month, a number of partnering meetings between ITD and others will occur.

On April 16, 2012, I will be meeting with the Director of the Ada County Highway District,
Colonel Bruce Wong. This will be to set the tone and agenda for the April 24, 2012 meeting between the leadership and executive teams from the two agencies.

The next Capital for a Day will be held in New Meadows on April 25, 2012. I plan to attend along with District 3 Engineer, Dave Jones.
On April 26, 2012, ITD will hold its monthly meeting with the Federal Highway Administration.

On April 26, 2012, I will begin my meetings with all 1800 plus employees at ITD. For those of you who are new to the Board, this is something that I do annually. I travel to all areas of the state in an attempt to meet with every employee in the department. I usually incorporate a meeting with the Board member
in the area to discuss any issues and to improve communication between the Board and the Department. I look forward to meeting with each of you as I travel throughout the state.

At this year’s employee meetings, I will focus on three topics:

• Implementation of the Strategic Plan
• The Organizational Culture Survey
• Transportation revenue at the state and Federal level.

I then allow plenty of time for questions from the employees.

The Leadership Team will meet on May 2, 2012.

We will check on our progress for meeting the time frames for implementation of the Strategic Plan and individual performance reviews to ensure we meet our July 1, 2012 target date.
I will hold my Direct to the Director meetings on May 7 and 8, 2012. These meetings include two groups of about 15 employees representing all geographical and functional areas of the department. Representation is from the front line and first line supervisory levels. These groups meet with me for about a half day to discuss issues and solutions. I have found these sessions to be very candid and I
receive many good ideas to improve how we operate at ITD.

May 9, 2012 is employee recognition day. Look for a schedule of activities in the near future.

The spring conference of the American Association of State Highway and Transportation Officials (AASHTO) will be held on May 17 through the 21, 2012. Chief
Operations Officer Paul Steinman, Chief Engineer Tom Cole, and I will represent the Idaho Transportation Department at this conference.

That concludes my portion of the Director’s report. I would now like to turn it over to Chief Deputy Scott Stokes who will discuss the ITD Dashboard, flooding around the state and staff level meetings with the Departments of Labor and Commerce.
(Scott Stokes provides his portion of the report.)

That concludes the Director’s report for the month of April. I will now be happy to address any questions or comments that you may have.
Director’s Board Report  
June 2015

Thank you Chairman Whitehead. Good morning members of the Idaho Transportation Board.

We are only weeks away from the 2015 WASHTO Conference in Boise. The theme is “Transportation Moving at the Speed of Business.”

So far we have registered more than 300 attendees, and have signed up more than 60 sponsors.

The success in attracting this many attendees and sponsors has allowed us to raise the bar on activities, media training, and high-quality keynote speakers.
The next few weeks will be busy as we make the final preparations for the conference, and I hope to see each of you there.

This is a major event for the department, and a major boost for Idaho’s economy.

Also boosting Idaho’s economy is construction taking place throughout the state. You have probably noticed a few orange barrels on the roads in your districts, which means the construction season is now well underway all across the state.

The media is showing a lot of interest in the new transportation revenue provided by the Idaho Legislature, and in the projects we will be able to advance.
The newspapers and television stations have featured many stories highlighting the revenue and the projects we are funding across the state.

The 27 projects approved for advancement by the Idaho Transportation Board last month will allow the Division of Highways to schedule much-needed pavement-restoration and bridge-preservation projects in each of the six districts.

The quick action taken by the board will invest nearly $47 million in road and bridge projects that are in immediate need of repair.
In addition to media interest in the projects you selected for advancement, we are also receiving appreciative comments about current projects from the public and from public officials.

Rhonda Haber, from the Idaho Department of Corrections sent us a note saying, and I quote:

“Regarding the work done recently on the Orchard Street bridge, over I-84. I just wanted to give kudos to the team that worked on that project. I work at Orchard and Irving, and my morning commute is Chinden to Orchard.”
That project was one of the smoothest road projects I have ever witnessed. Not once did I ever feel any frustration coming to or leaving work. The traffic flowed smoothly and even backed up quite a bit at times, but it was handled perfectly. Great job!”

End Quote.

Valley County Commissioner Gordon Cruickshank (crook shank) wrote a letter stating:

“I just wanted to send a thank you for finally seeing the improvements to Goose Creek Grade north of McCall.

 Hopefully this will take the pressure off 53-foot trailers using Highway55. When talking to truckers they are looking for any way to lessen their costs.
Quite often I have heard they take the risk of a ticket over additional costs to use Highway 95 when headed east from north Idaho. Even with the ticket they feel they are money ahead by time and cost.

Additionally the safety of the motorist will be improved.

The work on the North Cascade Bridge is progressing well and I have not heard any complaints from folks, as they realize the results after seeing the South Bridge replaced.

The future work on the Smith’s Ferry section is also great to see coming into play.
Happy to see all our comments are being listened to by the ITD Board.

Thank you for all you do to represent us.”

End Quote.

The Goose Creek Grade project he mentions will remove trees and clear rocks and boulders, which will allow us to widen the shoulders and improve several curves on that narrow, twisty section of Highway 55 between McCall and New Meadows.

We are also repaving the highway to improve safety and visibility.
When rock blasting is occurring during the work week, the highway will be closed for up to two hours at a time. No work will be scheduled from Fridays at noon until 7 a.m. Monday mornings to allow weekend traffic to flow smoothly.

The contractor is Knife River, and they expect to complete the $3.1 million project in October.

Here at headquarters, we completed a major project last week that resulted in a well-earned celebration.

Chief Deputy Scott Stokes and Chief Administrative Officer Char McArthur hosted the event to celebrate the official implementation and public launch of the DMV Cash Drawer System.
The Cash Drawer is a new system that processes payment transactions by phone for DMV customers.

To commemorate the completion of a long and complicated process to develop and deploy the system, Scott and Char ordered a dozen pizzas and invited 30 team members to gather in the auditorium to relax and celebrate a job well done.

The new system improves service to our customers across the state, and improves processing accuracy and accounting for DMV.

Accurate accounting and auditing procedures are a vital part of ITD’s business operations.
I would like to read to you a portion of a letter we received from Judy Shock, President of the Idaho Chapter of the Association of Government Accountants, or AGA.

She sent us a letter praising Sandra Healy, who recently received the AGA’s National Top Sponsor Award.

Let me quote a part of her letter:

“I want to take this opportunity to thank you for allowing Sandra Healy to volunteer as Membership Chair throughout this fiscal year.
I want to congratulate her again for the exemplary work in developing a solid membership plan for the Chapter and receiving the TOP SPONSOR award!

You are very lucky to have an employee such as Sandra! Because of her support and contribution, our Chapter will receive the AGA Platinum Award for this fiscal year!

This award is given by the National AGA office. There are over 100 Chapters in the world, and only a few Chapters receive this award.

Thank you again for allowing Sandra be a part of our local Chapter!”

End Quote
Sandra works in Internal Review as a principle auditor.

Thank you, and congratulations on the AGA award Sandra.

I am pleased to say that I have two more national awards to tell you about.

The first AAMVA award was for a partnership between ITD and law enforcement.

Ed Pemble, ITD’s Driver Services Manager, nominated Boise Police Officer Germaine Galloway for the AAMVA Fraud Prevention and Detection Award. Officer Galloway is a nationally recognized
expert in fake identification prevention, education, and enforcement.

He has developed a fake ID training and information program that is used throughout the country.

Because of the training and education developed by Officer Galloway, Idaho retailers are confiscating approximately 1,600 fake IDs a year.

Officer Galloway’s research included meetings and interviews with officials from ITD, the Idaho State Police, Alcohol Beverage Control, the Idaho State Liquor Division, and officials from other states.

His research is helping businesses and law enforcement agencies remove counterfeit documents
from the street, reducing underage alcohol use, and teaching retailers how to identify fake IDs.

Officer Galloway’s program for retail establishments in Idaho teaches simple and practical ways to identify fake IDs.

He also established a law enforcement officer education program and spearheaded the creation of a Boise city law for which simple possession of a fraudulent ID constitutes a violation as well as a fine.

Officer Galloway works closely with ITD, as we are the agency that issues Idaho Driver’s Licenses and ID cards.
His dedication and efforts to educate businesses and law enforcement officials on how to identify fake IDs are so outstanding and successful that AAMVA awarded him with the **2015 Fraud Prevention and Detection Award**.

I thank Ed Pemble for nominating Officer Galloway for the award, and I thank Officer Galloway for his successful efforts to remove more than 1,600 fake IDs from the streets of Idaho annually.

We are proud to have him as a partner, and proud to see a fellow Idahoan win such a prestigious national award.
The second award honored the Division of Motor Vehicles, the Office of Communications, and the Office of Highway Safety.

In a nationwide, annual competition hosted by the American Association of Motor Vehicle Administrators, otherwise known as AAMVA, Idaho brought home two of the top honors.

ITD received the Public Affairs and Community Education Award for a statewide safety campaign called **Choose to Drink? Choose your ride.**

ITD posted the message prominently on billboards along Idaho roads and highways from Thanksgiving through New Year’s Day, when families are gathered
and more individuals may be drinking at holiday celebrations.

In addition to the billboards, the campaign also used the artwork on the department’s website, Facebook, and Twitter, in the news media, online, and through mobile web ads.

The straightforward message, “Choose to drink? Choose your ride,” educates and reminds Idaho citizens that as responsible drivers, they have choices on how the evening’s transportation options unfold.

The campaign reinforces the message with two options if you decide to drink.
They can either take a cab ride home, or deal with the risks and consequences of being arrested for driving under the influence.

ITD launched the award-winning campaign just before Thanksgiving, and continued it throughout the holiday season.

Here is a short video showing the billboard that won the 2015 AAMAVA award, and some of the media attention it gained.

This was a highly successful campaign. It helped contribute to the third lowest number of annual traffic fatalities in Idaho history.
Campaigns like this may appear simple, but it is the straightforward safety messages that people remember. And those are the messages that save lives.

Please play the video.

(video plays here)

I will now introduce Chief Deputy Scott Stokes, for his presentation.

Mr. Chairman and members of the board, this concludes my Director’s report for June. I now stand for questions.
DIRECTOR’S BOARD REPORT

JULY 2012

Thank you Chairman Whitehead. Good morning members of the Idaho Transportation Board. The following is my report to the Board for the month of July.

Before I get in to my report, I would like to thank District 1 for their hospitality.

On June 25th and 26th the Leadership of the Special Committee on Transportation...
Emergency Management met to make final preparations for the 2012 Transportation Hazards and Security Summit and Peer Exchange in August. Bryan Smith and I will represent ITD. Colonel Russell from Idaho State Police and General Shawver from Idaho Homeland Security will also attend on behalf of the State of Idaho.

On June 27, 2012 I met with Rakesh Mohan and other staff from the Office of Performance Evaluations to discuss the changes we had
made to our organization. We also discussed performance measures.

Jim Fox met with the Executive Team on June 28 to discuss streamlining the number of ITD classifications.

The U.S. 95 Sand Creek Byway dedication was held in District 1 on June 29. Vice-Chairman Jim Coleman and Chief Deputy Scott Stokes represented the department.
(Could show a brief video of dedication ceremony)

I conducted my annual employee meetings in District 4 on July 2 and 3, and District 1 on July 16 and 17. I will be going to District 2 on July 24 and 25.

Congress passed MAP21 which was signed into law on July 6, 2012. Map-21 authorizes funds for FY’s 2012, 2013, and 2014. Idaho should see both its highway formula share as well as obligation authority preserved, which
is consistent with program dollars nationally remaining fairly flat. Idaho did receive an increase in transit funding and in share of transit dollars, particularly for the rural transit program.

Several provisions will expedite or simplify the environmental review process. Examples include: categorical exclusions from NEPA review for projects within an “operational right-of-way”; and projects with a Federal contribution of less than 5 million dollars.
Many elements of the federal highway program have been consolidated. The number of programs has been reduced to five. Also, transferability of funds between programs has been maintained and simplified.

Congress tasked USDOT to develop a number of performance measures. States are required to set targets to compare their performance against the national measures.
Performance management initiatives in the bill, including asset management requirements, could require considerable effort for state DOT’s depending on how USDOT implements them. It appears that those developed for our dashboard will provide a good basis for most of the required performance measures.

The new program structure takes effect October 1. Staff will present additional information and analysis of the bill during the
August and September board meetings. I would like to hand out four documents to the Board members which will provide for a more in depth look at Map-21. These handouts include:

- “Initial overview – MAP 21”. This is a one page write-up provided by our Washington D.C. contact John DeVierno.
- “Highlights Moving Ahead For Progress in the 21st Century (MAP 21)”. This eight page document is provided by the American Association of State Highway
and Transportation Officials (AASHTO) and was presented at last week’s meeting of the Western Association of State Highway and Transportation Officials (WASHTO).

• “Moving Ahead For Progress in the 21st Century Act (MAP-21). Conference Highlights”. This was presented by the Federal Highway Administration at the WASHTO meeting.

• “Moving Ahead For Progress in the 21st Century Act (MAP-21). WASHTO July
2012”. This is the presentation that accompanied the previous document.

Speaking of WASHTO, Chief Operations Officer Paul Steinman, Chief Administrative Officer Mike Golden, Chief Engineer Tom Cole, District 2 Engineer Jim Carpenter and I attended the 2012 WASHTO meeting last week.

Most of the discussion centered around the transportation reauthorization you just heard
about. One of the highlights of the program was that the Idaho Transportation Department had an opportunity to showcase Idaho’s winter maintenance performance measure at the WASHTO meeting.

Chief Engineer Tom Cole and Malad (muh-LAD) Maintenance Foreman Doug Thorpe introduced our unique way of documenting and scoring its effectiveness in snow removal. The scoring system developed in District 5 is based on the severity of a winter storm and
the length of time highways are covered by ice.

Using data analysis, District 5 developed a system to measure the effectiveness of our snow and ice removal efforts. The District 5 model has been adopted statewide as a standard for winter maintenance. To our knowledge, no other state in the country uses our model – yet. We hope it becomes a standard that is broadly adopted.
Now I would like to take a few minutes to acknowledge and thank some employees.

Mike Reardon form District 1 defended his individual title as the state’s top equipment operator at the ITD 2012 Truck Roadeo in June. He and runner-up Mark Porter from District 5 qualify for a berth in the national competition this fall in Colorado. District 6 claimed the team title.
Keith Viebrock (VI-brock) was thanked by a motorist after he stopped to help with a flat tire on a motor home. Mr. Mike Allan wrote:

“On May 30, 2012, while traveling on I-90 at milepost 57, the right front tire on my 37-foot motorhome blew. Luckily, no one was injured, nor was there any damage other than to the front of my motorhome.

Along came your Mr. Keith Viebrock (VI-brock). He loaned me his phone, ours had slid under one of the slides. He protected the scene with his truck and warning lights. He stayed
with us until the tire service responded and made sure that I called him when we were on the road (we had retrieved our phone).

Keith is a true gentleman and a credit to your department. I feel he went well above his duties and he truly cared that we were okay and got the help we needed. Please pass on our thanks to him.”

Jerri Hunter, ITD’s interstate commercial program supervisor, received a national leadership honor for work in the
International Registration Program (IRP) for commercial haulers.

The IRP is an international registration reciprocity agreement for commercial vehicle registrations, adopted by all 50 states, the District of Columbia and Canadian provinces.

The award recognizes national leadership and contributions to the IRP program. Jerri was nominated by her peers in other states.
She became a technical records specialist with the commercial registration program in 1980 when it functioned under the Idaho State Police and was based at ITD Headquarters. For the past 19 years she has been ITD’s interstate commercial program supervisor. She supervises a staff of six.

Now, I would like to update the Idaho Transportation Board on the progress we have made to date on the implementation of the Strategic Plan. I will enlist my fellow
Executive Team members to assist in this portion of my report.
Thank you Chairman Whitehead.

Good morning members of the Idaho Transportation Board. I am pleased to present my report to the Board for August.

Many good things are happening at the Idaho Transportation Department.

We are advancing elements of our
strategic plan as we focus on our customers, the citizens of Idaho.

Donate Life America awarded Idaho with a Gold level designation, meaning our state reached the top tier in all five of the rating categories. Idaho was one of 10 states to receive a gold award. Idaho will be recognized by Donate Life America at the National
Learning Congress awards ceremony on October 4, 2012.

The Idaho Transportation Department has completed the six district freight forums that are associated with our freight study. The department was able to learn unique things about freight movement in each district. We will continue our efforts to reach out to our stakeholders as we continue to
learn how to best make transportation investments in the state.

A workshop on impaired driving was held in Boise on August 8 - that was sponsored by the Idaho Transportation Department and the National Highway Traffic Safety Association (NHTSA). Experts were brought in to specifically investigate how Idaho could improve the
effectiveness of the impaired ignition interlock program for convicted impaired drivers. The conference was paid for by NHTSA.

Dave Tolman and Amy Schroeder are representing ITD in New York to initiate the ratings for our October GARVEE bond sale. We anticipate this bond sale will be between $35 and $40 million.
All ITD employees now have performance plans in place that directly align with the strategic goals and measures outlines in ITD’s strategic plan. All supervisors were trained in using the new system for logging and tracking the performance measures. Feedback received on the ease and use of the new system, and the ability to link employee objectives
directly to the department’s strategic goals has been very positive.

Leadership assessments have been completed for each member of the Executive Team and the Leadership Team. Each leader will identify three behavioral areas that need improvement to become more effective leaders. Measureable performance measures will be added
to their performance plans that will gauge improvements in these areas.

The Idaho Transportation Department is developing a leadership program. Once completed, this program will provide supervisors the skills and tools they need to effectively lead employees. The development of the program is nearly completed and will be finalized during September.
As you are aware, 50% of the ITD employees will be eligible to retire over the next five years. Our draft succession plan is nearly completed. The next step is to identify competencies. Once completed, the final plan will be presented to the Board.
Customer service was the key theme and message of the department’s recent leadership summit. We know how important customer service is to those on the front line that directly serve our customers. Just as important are those who support those who serve the customer directly. One of those support groups is our information technology area. They survey every customer and during the
last quarter received over 80 comments. Most of them were positive regarding their service. All comments are logged in and reviewed to ensure that the highest quality service is being provided and to see if there are areas for improvement.

ITD recently formed the Information Technology Governance Council. This group approves and prioritizes ITD’s
technology investments. The Council also monitors project risk and sets enterprise standards and policies. The goal of the Council is to ensure that we are managing our investments from an enterprise perspective which in turn will result in cost effective and higher quality services.

The Board has heard about the Chubbuck interchange project in
southeastern Idaho during the past year. This interchange design project was delivered three months ahead of schedule. It will be let to contract three months early that will allow construction to begin earlier than anticipated. We congratulate District Five on their efforts.

The Idaho Transportation Department recently vacated its leased building on
State Street. This building previously housed the Bridge Unit and Right of Way Section. Staff was located to other owned facilities on State Street. This move will save the department $140,000 annually.

On July 17, 2012, Robert Linkhart from our staff traveled to Cheyenne Wyoming to share Idaho’s experience, procedures, and lessons learned from
allowing fiber optics within Interstate
right of way. This was a priority of
Wyoming Governor Matthew Mead,
and when the Governor tasked the
Wyoming Department of
Transportation with its
implementation, they relied on Idaho
for its expertise in the area. In a letter
to me, Wyoming DOT Chief Engineer
Delbert McOmie wrote “In our
research earlier this year, we had
determined that Idaho had handled this in a manner which we are contemplating following. Having Mr. Linkhart educate us was invaluable in helping us determine our course and helping to avoid pitfalls of reinventing the wheel. The ability to share with a fellow Department of Transportation shows what can be accomplished with a free exchange of information and a commitment to working together for
providing a better transportation system for the traveling public and in negotiating with utility companies across state boundaries. Please pass on our thanks to Mr. Linkhart and his superiors for a job well done”.

On her second anniversary with ITD, port of entry inspector Julie Roseborough had what will probably be one of the most memorable days of
her career. She arrived at the Cottrell Rest Area to find a man unresponsive and had unstable breathing and pulse. Roseborogh was trained in CPR and immediately went to work. While she performed CPR, fellow POE employee Renae Eddings called for assistance. Soon after, state trooper arrived to provide two shocks from an AED unit, the man was stabilized when the ambulance crew arrived 20 minutes
later. Julie Roseborogh said “The EMTs from the ambulance said that getting his heart started and keeping him alive was one in a million. It was an honor to be able to help somebody and knowing what to do in that situation”. Julie exemplifies the type of employee we have at ITD and reinforces the need to remain current in CPR and other safety critical training.
As the Director, I am pleased to report on the successes we continue to have at ITD. None of these would be possible without most every employee working to make ITD a better organization. I thank everyone for their efforts.
I would now like to turn it over to Chief Deputy Scott Stokes for his portion of the Director’s report.
Thank you Chairman Whitehead. Good morning members of the Idaho Transportation Board.

The following is my report for September. You will see a common theme. As we strive to become the best transportation department in the country, we continue to receive national
recognition throughout many areas of the department.

Idaho’s efforts to design projects to specific needs rather than applying broad, more costly measures are being featured by a national research program. The National Cooperative Highway Research Program (NCHRP) will highlight ITD’s practical design efforts along with six other states. The NCHRP is a cooperative effort among the Transportation
Research Board, the Federal Highway Administration, and state DOTs to promote research on highway planning, design, construction, and maintenance.

The Federal Highway Administration highlighted Idaho’s bridge management practices as the best in the nation along with two other states. ITD’s bridge management practices, along with Michigan and Virginia’s were noted as examples of the success that is
possible for asset management of bridges and culverts. We congratulate Bridge Engineer Matt Farrar and his unit on this national recognition.

Idaho Transportation Department’s Lotwick Reese received the 2012 Mark D. Miles distinguished hydraulic engineer award from the National Hydraulic Engineering Conference. This award is presented for outstanding achievement in the field of highway and
transportation hydraulic engineering. We congratulate Lotwick on his accomplishments.

Idaho Transportation Department Chief Engineer Tom Cole has been named as a member to the American Association of State Highway and Transportation Officials (AASHTO) Special Committee on Joint Development.

AASHTO President Kirk Steudle announced the appointment and Chief Engineer Cole accepted a two year term. This committee oversees
cooperatively developing, maintaining, and enhancing packages and systems of computer software, as well as the technical direction for AASHTO’s cooperative computer software development program. This is of vital interest to ITD as we move forward with I-Plan in the future.

At the 2012 State Motorcycle Safety Administrators Conference, the “Outstanding State award” went to Idaho for its efforts to
promote motorcycle safety. The award recognizes a state’s comprehensive motorcycle safety program that has implemented strategies that are successful, effective and can be measured. This award positions Idaho as a leader in motorcycle safety. The State of Idaho was recognized for its collaborative efforts of the Idaho Transportation Department Office of Highway Safety, the Idaho STAR Motorcycle Safety Program and its executive director Stacey
Axmaker, the Idaho Coalition for Motorcycle Safety, the Idaho National Guard, the Idaho State Police, and the City of Meridian Police Department. We congratulate Brent Jennings and the employees at our Office of Highway Safety on receiving this award.

The Idaho Transportation Department received a thank you from Bill Hahnenberg, Incident Commander for the Rocky Mountain Incident Management Team for our crew’s support.
during the Springs Fire near Garden Valley on August 9th through the 19th, 2012. The note stated that ITD’s assistance was critical to public and firefighter safety. Crews from Banks/Cascade, New Meadows, Caldwell, New Plymouth and Boise maintenance sheds along with the D3 Special Crew assisted in this effort.

Crews from Districts 2 and 4 have also been supporting fire activities.
District 2 provided portable message signs on U.S. 12 and U.S. 95 to warn motorist of smoke and fire activities.

District 4 assisted communications by reposition its satellite phones for use on Idaho 75 where radios and cell service were not adequate. It also provided message signs on Idaho 75, U.S. 93 and for off system closures.
District 4 provided temporary traffic control on Idaho 75 and plowed for fallen rocks on the route twice a day.

At the height of the fire, District 4 suspended some maintenance activities to concentrate on support.
Our headquarters received a telephone call from both the Snake River Canyon Scenic Byway Committee and the Department of Commerce to personally express their thanks for ITD’s work in fabricating signs for an upcoming festival. The request was made on September 3rd for signs which needed to be fabricated and erected prior to the September 15th, 2012 festival. A total of 18 signs were fabricated by the Sign Shop and delivered to the Canyon Highway District by ITD’s District
Three forces within a week. A special thanks to the Sign Shop and District Three for their efforts and excellent customer service.

As I mentioned in my report last month, ITD’s new system for measuring winter maintenance performance is attracting national attention. ITD developed a system in southeast Idaho to measure the severity of winter storms and the duration of ice on the highways. The intent of these measures is to improve safety and
mobility of the traveling public. Maintenance crews now have the ability to use hard verifiable data to determine timing and rates of chemical treatment of highways during winter storm events. Two universities and 10 states have contacted ITD to inquire about the possibility of adopting our winter performance measures. These states include: Kansas, Pennsylvania, Utah, Nevada, Wyoming, Maryland, Wisconsin, Minnesota, North Dakota, and South Dakota.
The National Conference of State Legislatures featured the Idaho Transportation Department’s dashboard as a national best practice. Our dashboard was recognized as providing the public with a quick and relevant view of the department’s performance. This dashboard will be presented to the Board in October and is reviewed on a quarterly basis.
Idaho is also known to have one of the more robust 511 systems in the country. We recently provided a new enhancement to 511 Traveler’s Service System which automatically tweets updates. This was also highlighted as a national best practice by the National Conference of State Legislatures.

As our department looks to spend every penny of the Idaho taxpayers’ money as wisely as possible, I would like to thank Mr. Bill Finke
(FIN – KEY) and his Network Team who negotiated a $37,000 annual cost reduction in circuit costs while at the same time increasing the network speed (bandwidth) by 69% for the Division of Highways. The cost reduction and improved performance are for the circuits in Districts 1, 4 and 5. This was accomplished in partnership with Syringa who is ITD’s network provider. This is a great example of a successful private and public partnership and great customer service by the Network Team to the
Division of Highways. As I stated at the Leadership Summit, every position at ITD must either directly serve our customer or support those who do. This is an example of how the Network Team clearly understands the need to support those who directly serve our customers. Congratulations to Bill and his team.

In the last month I received a copy of an e-mail from Shannon Barnes who was recently
appointed the Administrator for our information technology area. Shannon personally thanked Chief Human Resource Officer Mary Harker for improved communications coming out of Human Resources. Some examples Shannon cited are the great information her area has received on issues such as raises, FMLA, leave donation, salary updates, hiring questions, and assistance with recruiting. Shannon stated in her e-mail, “These are just some examples of
communications I have received in the past month. This is extremely helpful and I really appreciate the effort your staff is making to keep me informed.”

On August 22, 2012, Chief Deputy Scott Stokes represented ITD at a meeting in Lewiston attended by Governor Otter, Senator Crapo, Senator Risch, and United States secretary of Transportation Ray LaHood. The Port of Lewiston received a TIGER grant award of
$1,300,000. This will be used for a $2,900,000 project which enables the Port of Lewiston to work on multiple barges at a time and by allowing the crane to move along the entire face of the dock. Once completed, this project will have a very significant impact on freight movement and will help to increase the profitability of exporters.

We continue to build on our partnership with local officials. ITD held its regularly scheduled
quarterly meeting with the Local Highway Technical Assistance Council (LHTAC), the Association of Highway Districts, the Association of Counties, and the Association of Cities. There was a good exchange of information on issues such as proposed legislation and rule making, access management, the new Federal transportation bill, and future funding. On Tuesday, Chief Operations Officer Paul Steinman and I
addressed the Idaho Association of Counties Annual conference.

The Capital for a Day was held in the Bonner County town of Nordman on September 19, 2012. District One staff represented the department at this event.

Idaho is not only leading government agencies in the development of innovative business and
safety practices, but is now leading the nation's industry.

In August, Idaho became first state in the nation to offer its airport directory as a free download to an Ipad.

The directory provides visual flight rules and diagrams for 134 Idaho airports and aviation
facilities, including both wilderness airstrips and commercial runways throughout Idaho.

American Airlines recently announced it will be the first U.S. airline to use iPads for its flight manuals. The transition will begin later this fall.
I would like to show you a video that will soon be posted to ITD's web and social media sites about this innovative application.

VIDEO ENDS

The application was developed by ITD employees Rik Hinton, Tony Garcia, Wendy Bates and Tom Marks.
Congratulations to our Division of Aeronautics on this national leading initiative.

I will now turn it over to Chief Deputy Scott Stokes who will discuss (Scott. Fill in the blank.)
That concludes the Director’s Report for the month of September. Are there any questions or comments?
Thank you Chairman Whitehead. Good afternoon members of the Idaho Transportation Board. I am pleased to present my Director’s report for November 2012.

On Friday, Oct. 26, Vice Chairman Coleman joined Governor Otter and other
local dignitaries in dedicating the Dover Bridge. Sue is handing out the program for the dedication. The program was an insert in the Bonner County Daily Bee. I appreciate their participation and representation of the department.

The Capital for a Day was held on Oct. 19th in the Elmore County community of Pine. District 3 Engineer Dave Jones represented the department.
The next Capital for A Day will be held Tuesday, November 27 in Aberdeen.

ITD’s Mike Cram received national recognition for work on a team that developed a compensation matrix for ASSHTO.

Cram, a specialist in the Office of Internal Review at ITD, received the Dave Campbell Quality Award (DCQA) from
AASHTO’s Administrative Subcommittee on Internal and External Audit at its annual meeting recently.

The award is in recognition of “significant contributions to the audit communities of state departments of transportation nationwide.”

Cram was part of a small team that developed the National Compensation
Matrix, a tool that helps states, architectural and engineering firms, and accounting firms “determine the reasonableness of executive compensation in transportation agreements.”

The quality award recognizes “significant contributions to the state DOT communities. Significant contributions may be based on either a specific project
or an overall body of work encompassing multiple years or even an entire career.”

Two documents will be forwarded next month to the Governor, Lt. Governor and given to legislators at our outreach meetings. The publications will also be shared with our employees, private partners and other government agencies and posted on our web site.
The two documents are:

• The 2012 Idaho Transportation Department Annual Accountability Report.

• The Five Year Idaho Transportation Department Investment Plan.

At the 2012 presentation to the Joint Finance and Appropriations Committee, I
presented the three goals of our new strategic plan.

• Commit to having the safest transportation system possible

• Provide a mobility-focused transportation system that drives economic opportunity

• Become the best organization by continually developing employees and implementing innovative business practices
The 2012 Accountability Report focuses on the substantial progress made by the department on these goals. The document also reports on how ITD is making progress in the department's 10 performance areas.

Idaho Code 40-316 states "The board shall make annually, on or before December 1 of each year and at other times as the governor may require,
reports in writing to the governor 
concerning the condition, management 
and financial transactions of the 
department."

Idaho Transportation Board policy B-01-03 states "The Director shall oversee the preparation of the “Annual Report of the Idaho Transportation Department,” as required by Idaho Statute......The Annual
Report shall be approved by the Director before submittal to the Governor..."

Sue is handing out to you the 2012 Accountability Report. The report reflects an impressive year of accomplishments and is a tribute to the dedication and innovation of our employees.

Among the many highlights, we feature:

• That Idaho had the fewest traffic fatalities since 1956 AND that the
Idaho fatality rate was below the U.S. average for the first time.

- The Idaho and Republic of Korea drivers’ license agreement.

- Our Leadership Summit.

- The decision to change how we repay our GARVEE debt and the $40 million in interest it will save
• How Idaho is a national model for several programs including bridge management practices.

• How our workforce outreach programs received national recognition, and

• That the Legislative audit found no deficiencies
The Five-Year Idaho Transportation Investment Plan is an external document detailing the 2013-2017 scheduled projects for highways, bridges, public transportation, railroad crossings, aviation and non-motorized transportation. This is the second year the department published this document.

The purpose of the document is to increase the transparency and
accountability of the department's five-year investment program and communicate it in non-technical terms.

Taxpayers can learn:

- What the department's funding assumptions and needs are
- How projects are prioritized and selected
- What projects are selected and when they will be completed
• How progress is measured

Next week Sue will be mailing to the final copy of the five-year plan. The publication is awaiting final data from our transportation system management section.

The department's Idaho Transportation Investment Program – the document we use to gain federal approval - will
continue to be published to meet federal requirements. This document, or the ITIP, is the technical document we use internally. The 5-Year Plan I am holding is for the public.

Emmert International won the “Specialized Carriers and Rigging Association’s Job of the Year” for trucking the Conoco drums up U.S. 12. I was given a video of its entry and thought you
would enjoy seeing some of the video of the transport.

That concludes my portion of the Director’s Report. I will turn it over to Chief Deputy Scott Stokes.

That concludes my report for November.

Are there any questions or comments?