

## SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

January 6, 2006

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 8 AM on Friday, January 6, 2006, pursuant to legal notice. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Charles L. Winder, Chairman

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Monte C. McClure, Member – District 3

Gary Blick, Member – District 4

Neil Miller, Member – District 5

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Karl Vogt, Deputy Attorney General

Determination of Presentation Order. Chairman Winder opened the meeting by welcoming the participants and thanking the various parties for attending the meeting. After brief introductions of the Board, Steve Moreno, Division Administrator, Federal Highway Administration (FHWA), determined which consulting firm would make its presentation first.

Qualification-Based Selection Process. Mr. Moreno summarized the qualification-based selection process, often used to select firms for engineering and design services. It is not based on a low bid proposal, but rather qualifications and experience. The specific criteria that the Board must consider for the Connecting Idaho Program Manager, as outlined in the request for proposal (RFP) are experience and qualification, overall implementation and management plan, long-term ITD efficiencies, and organization and innovation. He recognized that the process being used today is unique and specifically tailored to meet the agreements reached between ITD, FHWA, and the parties.

Ground Rules for Interview Process. Nancy Smith, NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP, told the Board it must adhere to the federal requirements, and must consider the results of the ITD evaluation committee; however, the Board has the authority to select the consulting firm. If the Board does not choose the committee's top-ranked firm, it must justify in writing why the other firm was selected. Ms. Smith emphasized that the locality of the firm is irrelevant and that compensation cannot be considered in the determination.

Technical Team Review and Scoring. Grant Anticipation Revenue Vehicle (GARVEE) Program

## REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

January 17-18, 2006

The Idaho Transportation Board met at 8:30 AM, on Tuesday, January 17, 2006, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director

Forum on Transportation Investment (FTI). The Board created the FTI in 2004 to establish an understanding of the needs and demands for transportation improvements and the available options for financing and funding Idaho's transportation system and to make recommendations to the Board on how to shape future investment in the surface transportation system. The Forum had three core focus areas to investigate: review current financing/funding options; understand the demand for improving Idaho's transportation system and summarize projected needs; and assess future innovative financing and revenue options.

Former legislator Jim Kempton, FTI Chairman; Nampa Mayor Tom Dale, FTI Vice Chairman; and consultant Dwight Bower presented the FTI's report and recommendations. Overall, there is concern with funding issues at both the federal and state level. The conclusions and recommendations are shown as Exhibit 313, which is made a part hereof with like effect.

Member McClure made a motion to accept the Report and Recommendations of the Forum on Transportation Investment. Vice Chairman Combo seconded the motion and it passed unopposed.

Chairman Winder thanked all of the FTI participants for the extensive time and effort devoted to this important project.

Boise State University's Annual Public Policy Survey. Dr. James Weatherby, Director of the Social Science Research Center Director Public Policy Center summarized the 17<sup>th</sup> annual Idaho Public Policy Survey. The survey is conducted to identify public policy concerns and is provided to public officials and interested citizens. Some of the findings indicate that approximately 63% of Idahoans believe the state is headed in the right direction. They believe education, the

economy, growth, and taxes are the most important issues facing Idaho today and that the legislature should focus on health care costs, public school funding, property tax reform, and energy policies. Respondents place the greatest trust in local government, 42.5%, followed by state, 26.8%, and federal, 11.2%.

Chairman Winder thanked Dr. Weatherby for the informative presentation.

FY06-10 Interim Statewide Transportation Improvement Program (STIP) Update – Recommendations. Director Ekern emphasized that numerous factors impact the STIP. Passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) provided funding levels that staff had been estimating, included funding for high priority projects, and established new programs. Other factors include inflation, new or refined program directives, and integration of the Connecting Idaho Program. Director Ekern also mentioned that the public transportation and aeronautics' projects are also being integrated into the Program.

Manager, Transportation Investments (MTI) Dave Amick said reauthorization of the federal transportation act occurred late in the STIP process, so staff proceeded with the estimates it had at the time with anticipation of revising the document after SAFETEA-LU had been more thoroughly reviewed. MTI Amick said the District Engineers have provided comments on the current STIP. Discussion followed on various topics, including pavement preservation, pooling high priority funds, and Preliminary Development.

MTI Amick presented a proposal to fund projects in the Contingency Program. He emphasized the desire to fund projects that were scheduled in FY06-09 in the FY05 STIP. (See later minute entry.)

Executive Session Legal Issues, Section 67-2345(1)(f), Idaho Code. Member Sweeney made a motion to meet in executive session at 12:25 PM to discuss legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held with Deputy Attorney General Steve Schuster on legal matters related to access on Eagle Road.

The Board came out of executive session at 1:45 PM. No decisions were made.

Update on US-2. Chairman Winder asked for an update on US-2. District Engineer (DE) 1 Scott Stokes said US-2 was closed west of Sandpoint due to a failed culvert as a result of recent rainfall. The failure impacted local streets, too. He believes the highway should be open by the end of this week. The total impact of the damage is not known at this time; however, staff

believes it may cost \$500,000 for repairs, but the funding source has not been identified. DE Stokes stated that the community has been understanding and good to work with.

FY07-11 STIP Update Guidelines – Review and Recommendations. Senior Budget Analyst Joel Drake elaborated on the efforts to integrate the budget and STIP. Staff is developing a long-range budget to coincide with the Program. The Department's revenue for the State Program will decrease significantly due to inflation and other commitments. Director Ekern commented that the declining buying power with ITD's current revenue is consistent with the findings of the FTI. The Department will need to determine if more efficiency measures can be identified and explore options for flexibility with federal funds to address the funding concerns.

MTI Amick summarized the current policy regarding allocating federal funds to local entities. He asked for guidance on overprogramming the STIP, as it is important to have projects ready to advertise if additional funding is received, but there is a concern that funding may decrease.

The general consensus of the Board was to be conservative with funding estimates. It was noted that the Districts have always been able to advance projects when additional revenue was available, and the Board believes staff will continue this practice. It was also emphasized that the STIP needs to be realistic.

Member McClure believes the Board needs to be proactive. The revenue projections are dismal, particularly with national concerns that the National Highway Trust Fund is projected to be at zero by 2010. He said Idaho has not increased the fuel tax in ten years, and he believes it is time to address ITD's funding issues.

Director Ekern emphasized that the Department will maintain its commitment to serving its customers and preserving the current transportation system; however, addressing growth and expanding the system may not be feasible. Based on the various discussions, Director Ekern concluded that the consensus is to flat-line the revenue assumptions, take funding for local high priority projects off the top of the funding distributed to local public agencies, integrate the FY07 Funding Plan with the Performance Program Reconciliation, and use today's dollar value versus the inflated value in the Program.

Chairman Winder asked if staff could prepare a cost benefit for the GARVEE Program. He thought it would be helpful if a justification for those projects, particularly in the later years could be established.

WHEREUPON the meeting recessed at 4:50 PM.

January 18, 2006

The Board reconvened at 8:30 AM on Wednesday, January 18, 2006, at the Transportation Department. All members were present.

Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on December 14-15, 2005 as submitted and the minutes of the special Board meeting held on January 6, 2006 as corrected. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

February 22-23, 2006 – Boise

March 15-16, 2006, - Boise

April 19-20, 2006 – District 2

Consent Calendar. Vice Chairman Combo made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO.      *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-01      approves the addition of I-90, South Fork Coeur d'Alene River Flood Study Partnership, Kellogg, District 1, to FY07 of the Program; addition of I-90, Blue Creek Bay Bridges, District 1, to FY06 of the Restoration and Expansion Program; removal of King's Corner Railroad Overpass, Nampa, District 3 from the Program; removal of US-93, Salmon Alternate Route Feasibility Study, District 6, from the Program; and emergency correction for IDAPA 39.03.43, Rule Governing Utilities on Highways; and has received and reviewed the contract award information; the new and supplemental professional agreements report; the semi-annual report on administrative settlements of right-of-way acquisitions; Governor's Executive Order 2005-25 designation of ITD as recipient of Public Transportation funds; the Interagency Working Group annual report to the state legislature; transition of ITD mainframe applications and data to State Controller's mainframe; the November financial statement analysis; and the FY07 Congressional appropriations project request.

1) Addition of I-90, South Fork Coeur d'Alene River Flood Study Partnership, Kellogg, District 1, to FY07 of the STIP. Staff and City of Kellogg officials have discussed a new floodway map proposed by the Federal Emergency Management Agency (FEMA) to outline flooding potential in the City on the South Fork of the Coeur d'Alene River that is allegedly caused by constrictions at the I-90 crossing near Bunker Avenue. The City has requested that ITD enter into a partnership, with each entity providing \$17,500, to complete a flood analysis to determine the

necessity of the map being proposed by FEMA. Staff recommended funding this project in FY07 with State funds.

2) Addition of I-90, Blue Creek Bay Bridges, District 1, Key #8388 to FY06 of the Restoration and Expansion Program. This project was initially awarded for construction in 2003; however, ITD and the contractor agreed to terminate the contract in August of 2005. About one third of the work specified in the original contract has been completed. Staff requested approval to add this project to FY06 of the Restoration and Expansion Program so that the remaining work can be rebid. The revised engineer's estimate plus 10% for construction engineering and contingencies is \$2.26 million. Staff has identified deobligations to fund this project.

3) Removal of King's Corner Railroad Overpass, Nampa, District 3, Key #9085, from the Program. This project was added to the Program in FY03 at the request of the City of Nampa with no financial obligation to ITD. The City requested an earmark from Congress for inclusion in the transportation reauthorization act. The City desired to begin development of the project prior to passage of the act. To be eligible for reimbursement should the funds be received, the project was included in the STIP. Because the reauthorization did not include funds for the King's Corner Railroad Overpass, the City of Nampa is requesting the removal of this project from the STIP.

4) Removal of US-93, Salmon Alternate Route Feasibility Study, District 6, Key #9010, from the STIP. The Salmon Alternate Route Feasibility Study was originally obligated for \$123,000 in FY04 to provide the foundation for US-93, Y Intersection Salmon, key #8051, and US-93, Salmon River Bridge, Salmon, key #9009. Because key #8051 and #9009 were removed from the FY06 Program during the STIP update, staff requested the removal of key #9010.

5) Emergency Correction for IDAPA 39.03.43, Rule Governing Utilities on Highways. In July 2003, the Board approved the "Utility Accommodation Policy" and authorized staff to proceed with rule-making to revise IDAPA 39.03.43, Rule Governing Utilities on Highways, to the new format and incorporate by reference the new policy. Part .004 of the rule gives a web site address to access the Utility Accommodation Policy. The address for this web site has been changed, requiring IDAPA 39.03.43 to be corrected. Staff requested a temporary rule change at this time, to be followed by a permanent change through the standard rule change process for the following legislative session.

6) Contract Award Information. Key #9001 – I-86, FY05 Fence Replace/Repair, District 5. Low bidder: Pavement Markings Northwest, Inc. - \$388,588.

Key #9099 – US-12, Lewiston to Clearwater River, District 2. Low bidder: Poe Asphalt Paving, Inc. - \$1,924,709.

The low bid on key #8068 – I-90, Wolf Lodge East, Kootenai County, District 1, was more than ten percent over the engineer's estimate, requiring justification. The District recommended rejecting the bids and modifying the specifications and Engineer's Estimate.

The low bid on key #7148 and #6299 – US-20, Cloverdale Road to Hewlett-Packard Main Entrance, and Hewlett-Packard Main Entrance to Joplin Road, Boise, District 3, was more than ten percent over the engineer's estimate, requiring justification. The items of major difference were in Granular Sub Base, 19 mm Aggregate for Base, Plant Mix Pavement Cl. I, Survey, MSE Retaining Wall, and Mobilization. This was the second advertisement for these projects. The District does not believe there is a potential for savings if the projects are re-advertised. Staff recommends rejecting the bids and re-advertising the companion projects individually, but with the completion of both projects in 2007.

7) New and Supplemental Professional Agreements Report. From November 28 through December 28, the Consultant Administration Unit processed \$2,284,684 in professional, supplemental, and term agreements.

8) Administrative Settlements of Right-of-Way Acquisitions. From July 1, 2005 through December 30, 2005, the Right-of-Way Section processed 64 parcels. There were 9 administrative settlements, or 14%, during this time frame.

9) Governor's Executive Order 2005-25 Designation of ITD as Recipient of Public Transportation Funds. The Federal Transit Administration provides financial assistance to the governor of each state to fund several public transportation programs. Each governor is asked to designate a state agency to oversee and administer these programs. On December 22, 2005, Governor Kempthorne reissued an Executive Order (2005-25) to continue the designation of ITD and its director as the recipient of federal funds for public transportation.

10) Interagency Working Group (IWG) Annual Report to the State Legislature. Idaho Code directs the IWG to advise and assist ITD in analyzing public transportation needs, identifying areas for coordination and developing strategies for eliminating procedural and regulatory barriers to coordination at the state level. The group is to facilitate cooperation and collaboration among systems. The Board was provided a copy of the 2005 IWG annual report submitted to the state legislature.

11) Transition of ITD Mainframe Applications and Data to the State Controller's Office's Mainframe. ITD has utilized mainframes since the mid 1960s. In early 2003, ITD purchased its current mainframe under a five-year contract. The Department is using 35% of the processing capability and 28% of the total data storage. Although the mainframe data and applications are

backed-up and the tapes are stored offsite, there is no replacement plan for mainframe failure nor has an offsite disaster recovery facility been identified.

A feasibility study was conducted, resulting in support to partner with the State Controller's Office on ITD's mainframe needs. There would be some costs for the set-up and transfer of data and applications to the State Controller's Office, but in the long run, it will reduce the Department's monthly operating costs. ITD will gain professional technical support and a secure service from the State Controller's Office with full disaster recovery features. Additionally, ITD will have three position control numbers currently providing in-house support for the mainframe that can be used to support other ITD operations. Of the three people who have been providing the in-house support, one has taken another position in ITD's Information Technology Section, one is scheduled to retire next month, and the third will be retrained to support other services in the Information Technology organization. In order to minimize any adverse impacts to customers, the transition of the ITD data and applications will take 18 months to fully integrate on the State Controller's Office's mainframe. The end of the transition period coincides with the end of the ITD mainframe contract.

12) November Financial Statement. Total federal aid revenue was \$24 million, or 14% below projections through November. Revenue from the Highway Distribution Account was \$451,000, or .6% less than anticipated. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, the federal program is less than spending projections by 2.5% and the state program is 7.5% ahead.

Aviation fuel tax revenue through the end of November was 6% ahead of projections. Miscellaneous revenue was 25% below forecast. Overall expenditures were less than last year.

In the Aircraft Operations Fund, the November revenue was \$9,100 behind projections. Personnel expenditures were similar to last year.

13) FY07 Congressional Appropriations Project Request. Idaho's Congressional Delegation has requested that ITD submit candidate projects for discretionary funding under the FY07 Transportation Appropriations Act. The list includes twelve projects totaling just over \$71 million in Highways, Aeronautics, and Public Transportation appropriations.

Federal Transit Administration (FTA) Section 5309 Idaho Transit Coalition Letter of Support Request. The Idaho Transit Coalition is preparing materials for the FY07 Section 5309 Transit Earmark Congressional Request. The Coalition, sponsored by the Community Transit Association of Idaho, seeks support of the Board for the Congressional request. A summary of the nine projects in the request, totaling \$5.6 million, was provided.



Due to conflicts with Indian Tribes on fuel tax, Member McClure expressed reluctance to support the Coeur d'Alene Tribe's request for \$1 million for facilities for its new bus service. Member McHugh said the Tribe is planning to expand the fixed-route bus service. He said the Tribe is providing a valuable service to the public. Vice Chairman Combo added that the FTI heard about this important service and that it is not strictly for Tribal members.

Member McClure asked who owns the vehicles and if the bus route includes stops at the Coeur d'Alene Tribe's resort and casino. Public Transportation Administrator (PTA) Larry Falkner believes the Tribe owns the vehicles. He stated that federal funds are being requested and stressed the great community service that is being provided in the area by this transit service.

Member Sweeney asked if the facility would only be utilized by the Tribe or if other public transit providers could use it. PTA Falkner was not sure about the utilization of the facility.

Member Blick made a motion to table this item for one month. Member Miller seconded the motion.

In response to Member McClure's question on the timing of the Board's support for the Idaho Transit Coalition projects, Deputy Director Rountree replied that the Congressional Delegation has requested earmark submittals by February 6, so there is some urgency.

The motion failed 2-4.

Chairman Winder asked staff to provide additional information on the Coeur d'Alene Tribe's funding request later in the day. (See later minute entry.)

Relocation of Type V Access Control on Eagle Road, District 3. District 3 staff reported that Ada County Highway District (ACHD) and ITD have a difference of opinion regarding right-of-way on Eagle Road from the I-84 eastbound off-ramp south to Overland Road. ACHD received and approved an application for a right-in only access to Eagle Road approximately 430 feet south of the I-84 off-ramp. Prior to the approval, ITD notified ACHD that the subject access point is located within controlled access, requiring ITD and FHWA approval. ACHD maintains ITD transferred jurisdiction of this segment of Eagle Road, including access control rights, to the highway district through a Road Closure and Maintenance Agreement. The issue is still in dispute.

Based on efforts of ITD, FHWA, and ACHD, staff recommends that the Board approve access control modification; entering into an agreement with ACHD that sets forth a process for determining the appropriate compensation for the approved access in accordance with ITD rules and policy; waiving Administrative Policy 03-03 that requires prepayment for any enhanced

value to the property due to the access; payment for any enhanced value to the property shall be received from ACHD within 120 days of the Board action; and authorizing the Director to determine title to and jurisdiction over the right-of-way proposed by ACHD to be vacated.

Member McClure expressed concern that the two agencies' dispute is delaying the developer from proceeding with his project.

Member Sweeney questioned ACHD's position on staff's recommendation. Steve Price, legal counsel for ACHD, stated that the agency is still completing the vacation process. ACHD believes it was given jurisdiction of access control. It agrees with ITD's intent to resolve the issue and provide compensation. ACHD Director William J. Schweitzer submitted a letter to the Board indicating he will request the ACHD Board's authorization to negotiate an intergovernmental agreement that facilitates a process in which the two parties can negotiate in good faith the issues of title, jurisdiction and ownership of the disputed Eagle Road property. The letter is shown as Exhibit 314, which is made a part hereof with like effect.

Member McClure made a motion to approve access control modification; enter into an agreement with ACHD that sets forth a process to determine the appropriate compensation for the approved access in accordance with ITD rules and policy; waive Administrative Policy 03-03 that requires prepayment for any enhanced value to the property due to the access; payment for any enhanced value to the property shall be received from ACHD within 120 days of the Board action; and authorize the Director to take action to determine title to and jurisdiction over the right-of-way proposed by ACHD to be vacated. Vice Chairman Combo seconded the motion and it passed unopposed.

Chairman Winder abstained from discussion on this subject, both in open session and in executive session, due to a perceived conflict of interest with the developer.

Henry's Lake Fish Passages Project Update, Key #9658, District 6. The Henry's Lake Fish Passages Project was to replace two culvert crossings with single span bridges at Targhee and Howard Creeks on SH-87 near Henry's Lake. The project was important to improve fish passages to Henry's Lake, which is world-renowned for its Yellowstone Cutthroat trout and other species. To date, the contractor, Cannon Builders, has completed the project on time and within the budgets established. Successful efforts were achieved to work with all other agencies and private partnerships to accomplish the successful project.

Vice Chairman Combo emphasized the great partnership undertaken for this project. He added that District 6 staff was instrumental in the project's success, and also acknowledged the excellent work by Cannon Builders.

DE Tom Cole elaborated on the construction schedule and the excellent coordination with other agencies. He was pleased to report that the project won an award with the American Council of Engineering Companies. It will be showcased at the upcoming Road Builders Clinic this spring and profiled at the Idaho Society of Professional Engineers banquet in March.

Vice Chairman Combo made a motion to accept the Henry's Lake Fish Passages Project report. Member Sweeney seconded the motion and it passed unanimously.

Board Items. Chairman Winder said he met with Senator Cameron and Division of Financial Management and Legislative Services Office staff members to discuss change in employee compensation (CEC) issues. He also attended Governor Kempthorne's State of the State/Budget Address, in which the Governor encouraged the legislature to continue its support for the Connecting Idaho Program, and a Boise Area Chamber Task Force on public transportation meeting.

Findings of Fact, Conclusions of Law for the Selection of a Program Manager for the Connecting Idaho GARVEE Program. Member McClure made a motion to approve the Findings of Facts and Conclusions of Law for the selection of a program manager for the Connecting Idaho – GARVEE Program, selecting Washington Group International (WGI)/CH2MHILL as the first ranked firm and best qualified pursuant to the evaluation criteria as set out in the Request for Proposals for the Connecting Idaho-GARVEE Program Manager and directing staff to negotiate with WGI/CH2MHILL to retain the firm as program manager, as shown as Exhibit 315, which is made a part hereof with like effect. Member Blick seconded the motion.

Vice Chairman Combo expressed his intent to vote no to be consistent with his evaluation. On January 6, 2006, he scored Parsons Brinckerhoff higher.

The motion passed 4-2 by individual roll call vote, with Vice Chairman Combo and Member Sweeney opposing.

Chairman Winder stated that the Board's action completes the process of selecting the program manager; however, negotiations with WGI/CH2MHILL will commence and if the negotiations are not successful, staff will negotiate with Parsons Brinckerhoff.

Department Activities. Equal Employment Office Manager (EEOM) Karen Sparkman provided an update on the Disadvantaged Business Enterprise (DBE) Program. Each U.S. Department of Transportation recipient has the responsibility for developing an overall annual contract goal that reflects the level of DBE participation expected on USDOT-assisted contracts in the absence of discrimination. ITD does not have sufficient data to implement the federal changes, so a disparity study will be completed. No DBE goals will be established on projects. The study should provide

ITD with information on whether discrimination is occurring and the Department can proceed accordingly based on those findings. EOM Sparkman said that educational efforts will be undertaken for contractors and added that the new rules will also apply to the Divisions of Aeronautics and Public Transportation.

Controller Dave Tolman reported on the American Management System (AMS) project. The second phase, testing, has been very successful. The third phase, implementation, began this week. Although more training is planned, it is anticipated that all of the applications will be live by mid February. Controller Tolman recognized the various teams that have been instrumental in this project and mentioned the executive team's support. The new system will provide an improved accounting system and better accountability. In response to Member Sweeney's question, Controller Tolman said that overall, the employees have been receptive to AMS. District personnel were involved at the beginning and have been active on various teams, which helped the overall acceptance of the new system.

The Governor proposed and the Joint Finance and Appropriations Committee passed legislation to increase employees' compensation by 3% effective at the end of this month, according to Administrator, Division of Administration (ADA) Susan Simmons. She said a management team has also been exploring options within ITD to address CEC issues. For approximately the past ten years, the Department has made a concerted effort to transfer salary savings to highway construction projects. Staff is recommending a different philosophy whereby salary savings would be redirected to CEC. Legislators and the Governor's Office have not expressed opposition to this strategy in preliminary discussions. ADA Simmons added that staff will continue to refine the pay plan and hopes to have a proposal for Board consideration soon. Director Ekern noted that the team's proposal is a significant step in addressing CEC issues and that it is also a change in current philosophy.

Chairman Winder thanked ADA Simmons for the update on this important issue.

In conclusion, Director Ekern stated that staff is finalizing the GARVEE proposal for legislative consideration. The Connecting Idaho Coalition will be sponsoring a series of legislative meetings, one per ITD administrative district, in the next few weeks to provide legislators with information on the Connecting Idaho Program.

Legislative Update. Budget, Policy and Intergovernmental Relations Manager (BPIRM) Julie Pipal said the legislature and Governor have expressed interest in the Tribal fuel tax issue; however, she does not know at this time who will sponsor legislation. A number of questions have been raised and comments provided on the chain-up legislation. She said the issues will probably not get resolved this year, so that legislation will not be pursued at this time. She also reported that to date, no questions or concerns have been expressed on any ITD rules.

The proposal to require gasoline in Idaho to include 10% ethanol was printed in the Senate Transportation Committee yesterday, according to BPIRM Pipal. In analyzing the proposal, staff is concerned with impacts to ITD's revenue during the transition period. Also, if the second legislative proposal, eliminating the 2 ½ cent blender's fuel tax deduction after the mandates included in the first proposal are met, is not passed by the legislature, the ethanol mandate will reduce the Department's revenue. She also informed the Board that Chevron USA, Inc. has expressed opposition to the mandated ethanol bill and would like the opportunity to discuss the ethanol proposal with the Board.

In response to Chairman Winder's request, Russ Hendricks, Idaho Farm Bureau representative, summarized the proposed legislation. The first piece would require gasoline in Idaho to include 10% ethanol; it will be market based, so it only becomes effective when Idaho produces ethanol. The second proposal would remove the 2 ½ cent blender's fuel tax deduction. He added that the second piece would be heard in the House Revenue and Taxation Committee.

Although the Board generally supported the proposal to mandate ethanol usage and alternative fuels in general, it expressed concern with the negative revenue impact to ITD. It was also noted that the legislation has not been reviewed by the Board.

Member Sweeney made a motion for the Board to take a neutral stance on the ethanol legislative proposals until more information is obtained. Member McClure seconded the motion.

Chairman Winder concurred with the intent to support alternative fuels without negatively impacting revenue, and also with remaining neutral until parties opposing the legislation can meet with the Board. He asked staff to provide the Board with copies of the legislation as soon as it is available.

The motion passed 5-1 with Member Blick dissenting.

To conclude the legislative report, BPIRM Pipal summarized the eminent domain legislation. Staff will meet with the Governor's office to review the proposal.

Delegation – John Watts, WATCO Short Line. Mr. Watts thanked the Board for its time. He has been working with ITD, the Department of Commerce, and the Governor's Office on a legislative concept to address concerns of the shortlines. He summarized the findings of the 2001 Interim Committee on Rail Transportation, which, among other things, concluded that the rural economy relies heavily on Idaho's rail freight system, abandonment of rail lines can increase the cost of transportation commodities to market, shortlines have insufficient capital to invest, east- and west-bound Intermodal loading facilities are needed, and there is general support to fund rail

preservation.

Mr. Watts elaborated on his legislative proposal to establish a no interest or low interest revolving loan fund, funded through a one-time appropriation of \$6 million to the Department of Commerce, to improve and enhance rail service. Additionally, an interagency working group should be appointed to oversee the program, the Departments of Transportation and Commerce should invest in capacity, an annual analysis of the work and revolving fund should be reported to the Legislature, and amendments should be made to the Railroad Preservation Act. Mr. Watts requested Board support for this concept.

Member Sweeney commented on the numerous trestles in north central Idaho. Mr. Watts concurred that \$6 million would not be adequate to address the needs of the trestles.

Member Blick noted the importance of the rail service provided to the Magic Valley and expressed support for Mr. Watts' proposal.

Chairman Winder asked for staff's comments. Senior Transportation Planner Ron Kerr expressed ITD's willingness to work with the impacted parties if the legislation is approved. Initially, the concept provided ITD oversight on the revolving loan. Although there were some concerns with that issue and additional staff would be required for administering that program, Mr. Kerr said ITD staff will do what is required.

Charlie Clark, Union Pacific Railroad representative, emphasized the importance of the shortline railroads. They play a vital role in the economy and fill an important niche. He added that railroads are moving more freight and there are capacity problems.

The general consensus of the Board was to support the concept subject to reviewing the drafted legislation.

Chairman Winder thanked Messrs. Watts and Clark for their comments.

FY06 Federal Scenic Byway Discretionary Funding Request. Terry Heslin, Vice Chairman of the Scenic Byways Advisory Committee (SBAC), presented the list of prioritized projects for FY06 Scenic Byway Discretionary Funding. Funding is available on a nationally competitive basis for routes that have been designated as a state scenic, historic, or backcountry byway as well as All American Roads and National Scenic Byways. The list includes projects for corridor management plan implementation, site interpretation, web design, a rest area, weed abatement, and developing a transportation component for a corridor management plan.

Vice Chairman Combo made a motion, seconded by Member McClure, and passed unopposed, to

approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byways  
ITB06-02 Advisory Committee (SBAC) on June 21, 1996; and

WHEREAS, among its purposes the SBAC is to provide advice and recommendations concerning the Scenic Byway Program to the Board; and

WHEREAS, all state and local Scenic Byway grant applications are to be submitted by the Idaho Transportation Department to the Federal Highway Administration for Federal Scenic Byway Discretionary Funding; and

WHEREAS, FY06 Scenic Byway Grant Applications have been received, reviewed, and prioritized by the SBAC with recommendations to the Board.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the application for the following FY06 projects in priority order for Federal Scenic Byway Discretionary funding totaling \$711,338 and, if awarded by FHWA, inclusion by amendment in the FY06 STIP:

1. Pioneer Historic National Scenic Byway (NSB) Corridor Management Plan (CM) implementation - \$25,000
2. Western Heritage Historic NSB CMP implementation - \$25,000
3. International Selkirk Loop All American Road CMP implementation - \$25,000
4. Northwest Passage AAR CMP implementation - \$25,000
5. Payette River NSB, Donnelly Rest Area - \$103,766
6. Salmon River Scenic Byway Yankee Fork Interpretive - \$25,000
7. International Selkirk Loop AAR Virtual Tour - \$27,872
8. Payette River NSB CMP implementation - \$25,000
9. Pioneer Historic NSB Weed Abatement - \$5,200
10. Northwest Passage AAR Update Transportation Component CMP - \$400,000

Oregon Trail Bear Lake Byway Extension, District 5. SBAC Vice Chairman Heslin reported that the Lava Hot Springs Foundation and the Oregon Trail-Bear Lake Scenic Byway Committee propose to extend the Oregon Trail-Bear Lake Scenic Byway from Soda Springs to I-15 along portions of US-30 and local roads. The SBAC recommends Board approval of this designation. Letters of support from local entities and District 5 were provided.

Member Blick made a motion, seconded by Vice Chairman Combo, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byways  
ITB06-03 Advisory Committee (SBAC) on June 21, 1996; and

WHEREAS, among its purposes the SBAC is to provide advice and recommendations concerning the Scenic Byway Program to the Board; and

WHEREAS, all local requests for Scenic Byway designation are to be submitted to the SBAC for review and consideration; and

WHEREAS, the Lava Hot Springs Foundation and the Oregon Trail-Bear Lake Scenic Byway Committee with the full support of the Bannock and Caribou County commissioners, and other local entities, submitted a request to designate the route from the City of Soda Springs along portions of US-30 and the Blazer Highway as part of the “Oregon Trail-Bear Lake Scenic Byway”; and

WHEREAS, the SBAC has found the request for this designation to comply with its established criteria, recommending Board approval.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves extending the designation of portions of US-30 and the Blazer Highway as the “Oregon Trail-Bear Lake Scenic Byway”; and

*BE IT FURTHER RESOLVED*, that the extension shall be so designated on the Idaho Official State Highway Map and signed as such.

Mesa Falls Scenic Byway Corridor Management Plan (CMP) Approval, District 6. SBAC Vice Chairman Heslin said a CMP has been completed on the Mesa Falls Scenic Byway. The local community was heavily involved in the development of the plan and is excited about the Scenic Byway Program. The CMP includes the required points of the federal legislation and will support the Mesa Falls Scenic Byway Committee’s efforts to nominate the byway for national designation in 2007. Letters of support were received from District 6, and local and state officials.

Member McHugh made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO.        WHEREAS, the Idaho Transportation Board established the Scenic Byways  
ITB06-04        Advisory Committee (SBAC) on June 21, 1996 to provide advice and recommendations concerning the Scenic Byway Program to the Idaho Transportation Board; and;

WHEREAS, corridor management plans (CMP) are 1) important for the protection



and orderly development of scenic byways, 2) required for National Scenic Byway designation, and 3) key to gaining priority for National Scenic Byway funding; and

WHEREAS, a CMP has been completed for the Mesa Falls Scenic Byway on SH-47 and STC 6801 in Fremont County; and

WHEREAS, all CMPs are to be submitted to the SBAC for review and consideration before Board action; and

WHEREAS, the SBAC has reviewed the Mesa Falls CMP and recommends Board approval; and

WHEREAS, District 6 is in support of the CMP and such efforts to preserve and enhance this scenic byway.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the Mesa Falls Scenic Byway Corridor Management Plan.

Luncheon. The Board met informally with the Aeronautics Advisory Board (AAB) for lunch.

Division of Aeronautics' Annual Report. Aeronautics Administrator (AA) Bob Martin reported on the Division's various activities in 2005. Staff continues to work closely with Idaho's Congressional Delegation on various issues and appreciates the assistance it has provided. State legislation in 2005 transferred the search and rescue functions to the Bureau of Disaster Services effective July 1, 2005. AA Martin said coordination meetings have been held and ITD will continue to provide assistance as necessary. Other activities included continuing progress with the Air Transportation Forum, efforts to protect airports from residential encroachments, funding airport improvement projects, and expanding the Safety and Education Program. He emphasized the important role that volunteers play with maintaining the state's airstrips. In 2005, an out-of-state group adopted an airport, demonstrating the popularity of the state's background network.

AAB Chairman Rodger Sorensen reported that although the number of fatal accidents decreased in 2005 from 2004, there were more fatalities. He provided statistics on air traffic, stated that a financial plan is being developed for the Friedman Memorial Airport, and that efforts will continue with the Boise Airport on a category 3 approach. In conclusion, AAB Sorensen said staff has been working with the Idaho State Historic Preservation Office on conducting a historical study of the central Idaho mountain airports. The effort will extract information required for listing in the National Register. This effort will furnish the U.S. Department of the Interior's National Park Service essential information for use in historic preservation planning and in the establishment of preservation priorities based on historical significance. Additionally,

it will be another layer of protection for the listed airports.

Chairman Winder thanked Messrs. Martin and Sorensen for the informative report. He also thanked the AAB members for their continued dedication to expand and enhance aviation in the state.

Red Bull Air Race World Series' (Red Bull) Request. Assistant District 4 Engineer Scott Malone provided an update on the status of Red Bull's request to conduct an air race in the Snake River Canyon near Twin Falls later this year. The Federal Aviation Administration request for a waiver on the 500-foot clearance has been denied. The Twin Falls Chamber of Commerce has not heard from Red Bull since the December Board meeting.

FTA Section 5309 Idaho Transit Coalition Letter of Support Request (Revisited). PTA Falkner reported that the Coeur d'Alene Tribe will provide the match if its FTA project is funded. The facility for bus repairs and maintenance will be available for other public transit providers to use. He provided statistics on ridership, which has been increasing. PTA Falkner also said the Tribe is coordinating its public transit service with the communities in the area and all of its vehicles are Americans with Disabilities Act accessible.

Member McClure made a motion to approve support of the Idaho Transit Coalition's FY07 Section 5309 Transit Earmark Congressional Request and to submit a letter of support to Idaho's Congressional Delegation. Member Sweeney seconded the motion and it passed unopposed.

ITD's Property Management System. Cindy Smith, Senior Agent for Property Management, provided information on the Department's surplus property, including the legal authority provided by Idaho Code and Departmental policies to manage and dispose of surplus real property. Since 1996, 299 parcels, almost 1450 acres, have been sold or traded, netting over \$13 million. The revenue is deposited into the State Highway Account. The Right of Way Manager, in coordination with the District Engineers, maintains a current inventory of real properties. The District Engineers are to justify retaining surplus property on an annual basis. Reasons for keeping property are to preserve scenic beauty into the foreseeable future or when land is adjacent to an existing facility and traffic projections indicate an expansion of the facility will be needed.

Some members questioned the enforcement of the annual justification reports, as it appears there is a lot of surplus property being retained. Member McHugh believes if the Districts kept the revenue from selling surplus property, more property would be sold.

Chairman Winder thanked Ms. Smith for the informative presentation.

Member Miller left the meeting at this time.

Legislation and Analysis of Effects of Super Single Wide Tires on Pavement. Chief Engineer Steve Hutchinson said staff has reviewed the legislative proposal to allow Super Single Tires. Compared to conventional dual tires, wide-base tires offer the trucking industry advantages. Based on a review of research conducted on wide-base tires, there is little doubt that wide base tires do more damage to pavements than dual tires at the same tire loadings. However, it appears that the newest generation of wide-base tires produces damage levels that are similar to the more traditional dual-tired axles. In addition, removal of the exemption that allows up to 800 pounds per inch of tire width; adding a limitation of 500 pounds per inch of tire width for tires less than 15 inches wide; and limiting to 600 pounds per inch of tire width for wider tires make this legislation acceptable. FHWA concurred that the legislation conforms to the “AASHTO Guide for Vehicle Weights and Dimensions, April 2001” and would be acceptable with the state limitations per inch width of tire.

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

RES. NO.        WHEREAS, the Idaho Trucking Association (ITA) has proposed legislation to  
ITB06-05        legalize the use of Super Single Tires in Idaho; and

WHEREAS, the ITA has requested the support of the Idaho Transportation Board for this proposed legislation; and

WHEREAS, the Board directed staff to review the impacts of the legislation and provide a recommendation regarding support for this proposed legislation; and

WHEREAS, ITD staff has completed a review of the legislation and its potential benefits and impacts and has presented the findings of that review to the Board.

*NOW THEREFORE BE IT RESOLVED*, that based on the review and recommendation of staff, the Board does hereby support the Super Single Tire legislation proposed by the ITA.

Contract Awards. CE Hutchinson said the low bid on STP-3823(100), key #8684 – Banks to Lowman Chip Seal, Boise County, District 3, was more than ten percent over the engineer’s estimate, requiring justification. Bids most significantly overran the engineer’s estimate for petroleum based products. The estimate was based on average unit bid prices, but did not correctly reflect the current trend in petroleum prices. Re-advertising the project is not expected to increase competition nor decrease prices. The Local Highway Technical Assistance Council (LHTAC) and District 3 recommend awarding the contract. LHTAC has identified the additional

funding for this project.

Member McClure made a motion to award the contract on key #8684 to the low bidder: Snake River Construction, Inc., Twin Falls, Idaho - \$693,208.73. Member Blick seconded the motion and it passed unopposed.

Vice Chairman Combo made a motion to award the contract on NH-SB-4200(139), key #8156 – US-12, Westbound Passing Lane, Milepost 53, Lewis County, District 2 to the low bidder: Debco, Orofino, Idaho - \$3,625,960.05. Member Sweeney seconded the motion and it passed unopposed.

Member McClure made a motion to award the contract on IM-15-1(121)69, key #7120 – I-15, Clark Street Overpass, Pocatello, Bannock County, District 5 to the low bidder: Cannon Builders Inc., Blackfoot, Idaho - \$5,769,163.67. Vice Chairman Combo seconded the motion and it passed unanimously.

Member McHugh made a motion to award the contract on STP-7045(100), key #8479 – Prairie Avenue, Huetter Road to Ramsey Road, Hayden, Kootenai County, District 1, to the low bidder: Interstate Concrete & Asphalt Company, Coeur d'Alene, Idaho - \$3,776,368.70. Vice Chairman Combo seconded the motion and it passed unanimously.

The low bid on ST-2790(610), key #8261 – SH-24, Milner Gooding Canal Bridge, West of Dietrich, Lincoln County, District 4, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the engineer's estimate was based on the most recently published Average Unit Price Report. Mobilization, Borrow, SP Removal of Diversion, Portable Concrete Guardrail, and ¾" Aggregate Type B for Base were the items that varied most. For the Borrow item, staff considered the source proximity to the project, which appeared favorable; however, the small quantity had a major impact on the price. Staff erred on the SP Removal of Diversion item. Given the increases seen on other projects and that the three contractors' bids were within 6% of each other, staff does not believe re-advertising the project would result in a savings.

Vice Chairman Combo made a motion to award the contract on key #8261 to the low bidder: Idaho Construction Company, Kimberly, Idaho - \$878,882.12. Member McClure seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on BROS-2300(102), key #7221 – Butte Road Bridge Over Squaw Creek, Gem County, District 3, was more than ten percent over the engineer's estimate, requiring justification. The major difference between the low bid and the engineer's estimate was with Granular Borrow, Plant Mix Asphalt, Concrete Class 40A, 12" Pipe Culvert, Loose Rip Rap,

Field Laboratory, Dewatering Foundation, Setting Bridge Member, and Mobilization. The engineer's estimate was based on the Average Unit Price but did not reflect the additional cost due to the remote location. The project sponsor, Gem County, has indicated its desire to accept the bid and LHTAC has identified the additional funds needed. CE Hutchinson added that there is a dispute on the contract award. The apparent low bid was declared irregular because the electrical contractor was not named. He believes there is an urgency to award the contract and recommended proceeding.

Member McHugh made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO.        WHEREAS, the results of bidding for project BROS-2300(102), key #7221, Butte ITB06-06        Road Bridge over Squaw Creek, Gem County has been presented to the Idaho Transportation Board; and

WHEREAS, at bid opening the apparent low bid of Cannon Builders, Inc., was declared irregular for failure to name an electrical subcontractor; and

WHEREAS, Cannon Builders, Inc. has presented a protest of this irregular declaration; and

WHEREAS, the timely award of this project will allow the contractor to meet the original February 27, 2006 start time.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommendation of staff to award the lowest acceptable bid as determined by outcome of all protests.

CE Hutchinson said the low bid on STP-CM-BR-3270(109), key #6500 – SH-55, Rainbow Bridge, Valley County, Phase 1, District 3, was more than ten percent over the engineer's estimate, requiring justification. The source of the engineer's estimate was the Average Unit Price Index Report, which was used for the standard bid items, and the specialized items of work were researched and various contractors were contacted for information and cost estimates. Three items accounted for the majority of difference: Bridge Corrosion Mitigation, Bridge Construction Access, and Bridge Pre-Cast Rail. The work required to rehabilitate the Rainbow Bridge while maintaining the historical integrity is very specialized work. It is difficult to access and there are severe penalties for not opening the bridge on time each week and for going beyond the maximum allowable 14-week period. The District recommends awarding the project due to the urgency of the project, the specialized nature of the work, and the extensive qualifications of the single bidder.

Member McHugh asked if incentives were included. CE Hutchinson did not know. Member

McHugh believes incentives should be used on high-volume projects such as the Rainbow Bridge when maintaining traffic flow is important.

Member McHugh made a motion to award the contract on key #6500 to the low bidder: Mowat Construction Company, Woodinville, Washington - \$2,888,267. Member Sweeney seconded the motion and it passed unopposed.

Member Blick left the meeting at this time.

Old/New Business. Public Affairs Manager Jeff Stratten reported on efforts with the Governor's Office to replace the "Welcome to Idaho" signs. A new design has been approved, the signs have been manufactured, and staff will start erecting the new signs as weather permits.

MTI Amick recapped yesterday's discussion on updating the STIP, emphasizing the desire to honor the projects that were included in FY06-09 in the FY05 STIP. The proposal would fund all of the projects currently in the Contingency Program. Director Ekern added that he would like to assure the legislature that the Department thoroughly reviewed the Program and is honoring its commitment to retain projects in the FY05 STIP.

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

RES. NO.        WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB06-07        to publish and accomplish a current, deliverable, and fiscally responsible Highway Capital Investment Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the FY06-10 Highway element of the Program Update approved in September 2005 by the Board has been included in the three-year STIP and has received federal approval in accordance with the provisions of the SAFETEA-LU; and

WHEREAS, the Department is committed to the continued delivery of projects previously funded in fiscal years 2006 through 2009 of last year's FY05-09 Highway

Program; and

WHEREAS, the FY06-10 Highway element of the Program Update approved in September 2005 resulted in the delay and removal of projects due to circumstances external to the Highway Program such as the uncertainty of funding under a two-year delay of the reauthorization of a federal highway act and extraordinary project cost increases of 23.8 percent, which are \$156.9 million in excess of anticipated inflation; and

WHEREAS, circumstances internal to the Highway Program, during the FY06-10 Highway Program Update approved in September 2005, such as restrictions on pavement preservation countermeasures and costs, in combination with the annual re-prioritization of all projects consistent with current project deliverability and need, have also resulted in the delay and removal of projects; and

WHEREAS, during the FY06-10 Program Update, certain projects totaling \$187.5 million previously included in fiscal years 2006 through 2009 of the FY05-09 Highway Program, were prioritized and identified in the Federally approved FY06-10 STIP as “contingent” projects to be made ready to use any additional funding in current and future years; and

WHEREAS, the Department has estimated total federal highway apportionments of \$1.158 billion in SAFETEA-LU authorizations for Idaho from FY06 through FY09 with another \$291.3 million estimated in FY10; and

WHEREAS, such estimated SAFETEA-LU authorizations include \$147 million in unanticipated additional High Priority project apportionments through FY09 that are available until spent and may be used to complete the named projects using the funding flexibilities as described in the SAFETEA-LU; and

WHEREAS, the Department has identified \$93.2 million (including non-federal match) in additional State Highway System High Priority projects funding which may be used between FY06 and FY10 instead of regular federal formula funding for GARVEE debt service payments for projects to be completed under the Connecting Idaho—GARVEE Program; and

WHEREAS, reductions in the use of federal formula funding for GARVEE debt service release federal formula funds (with match) for the funding of “unfunded contingent” projects in fiscal years 2006 through 2010 of the current STIP; and

WHEREAS, the extension of the Pavement Preservation program from a three-year program to a five-year program will make \$96.7 million in funding available for adding projects in FY09 and FY10 of the Highway Program; and

WHEREAS, the Department staff has provided the Board for review at the January 17, 2006 Board meeting a proposal to ensure funding those projects previously in fiscal years 2006 through 2009 of the FY05-09 Highway Program, but which are now identified as “contingent” projects in the FY06-10 STIP.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the funding and project changes to the FY06-10 Highway Program (including Preliminary Development) itemized and explained in the document entitled “*Highway Capital Investment Program Supplement 06-1 Prioritizing and Funding of Contingency Projects*,” as shown as Exhibit 316, which is made a part hereof with like effect, and authorizes staff to make the appropriate changes to the FY06-10 STIP in accordance with the provisions of the SAFETEA-LU and Transportation Board Policy B-11-02.

Member Sweeney asked staff to explore the feasibility of using State Highway Account funds for the Division of Aeronautics.

WHEREUPON, the Idaho Transportation Board’s regular monthly meeting officially adjourned at 3:05 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
February 23, 2006  
Boise, Idaho



Administrator (GPA) Nestor Fernandez provided background on the RFP, evaluation committee, Parson Brinckerhoff's (PB) protest, and concerns expressed by FHWA. He stated the evaluation committee ranked the two proposers very close on the technical proposal: 113.23 for PB/HDR Engineers and 113.22 for Washington Group International/CH2MHILL (WGI/CH2MHILL). Six of the committee members scored PB higher and four scored WGI/CH2MHILL higher. Following discussions, PB was ranked the first proposer by evaluation committee consensus.

DAG Vogt elaborated on FHWA's concerns and options the Board considered at its December 14, 2005 meeting. All parties concurred to the Board's decision to interview the two proposers in open session. DAG Vogt added that although the interviews will be conducted in an open session, the material and scoring will be kept confidential until a contract is signed.

Chairman Winder asked if the Board had any objections. It did not. Chairman Winder summarized the scoring process, whereby the Board will score each firm's presentation and question and answer session and then, following a discussion, will submit a final score based on the evaluation criteria and considering the other factors.

Intermodal Planning Manager Pat Raino, who provided support for the meeting, explained the ground rules for the proposers' presentations and question and answer sessions. The guidelines included that the personnel making the presentation would not be present during the other proposer's presentation.

PB Presentation. Prior to each individual's comments, his background information and experience were provided. Jim Von Loben Sels emphasized that PB and HDR Engineers combines local and national experience. It has been selected to manage six of the seven GARVEE Programs throughout the country, has experience with more than 70 ITD projects, has experience with FHWA oversight, and has proven leveraging of funding to deliver programs on budget.

Jim Ross said the program manager would act as ITD's engineer and be an extension of ITD staff. It is responsible for financial management, as well as final design and construction.

Frank Smith elaborated on his bonding experience and stated that the team has senior financial staff available for Connecting Idaho.

Kent Olsen said that PB/HDR could have the GARVEE Program started in 90 days, as tasks have been identified. The team would meet with ITD staff to identify goals and objectives. He emphasized that regular alignment meetings would be held and ITD staff would be trained as needed. He emphasized that PB's goal is to deliver all projects on time and within budget, help ITD meet its goals, improve the connectivity of the state, and stimulate economic growth.

Larry Hoffman said that independent design oversight ensures accountability and controls costs. The firm would leverage strengths of local designers and use incentives and disincentives in design contracts.

In conclusion, Mr. Ross emphasized the in-state, qualified construction management staff ready to start work on the Connecting Idaho Program. He understands ITD's processes, and PB/HDR can deliver the Program. It has statewide highway program management experience, has no final design commitments, has ITD construction management experience, and has vast experience with bond finance for multi-corridor, state-wide programs.

**QUESTION #1:** ITD has been experiencing high cost escalations on many of its projects. How would you keep costs in line with your estimate and what would your approach be if the costs overrun the legislative approved budget?

In summary, the team replied that risk management is very important, along with knowing and controlling the scope of work. Inflation costs are included in the budget. Controlling bid advertisements is another element. It is important to have projects on the shelf ready to advertise.

In response to Chairman Winder's question on who prepares the engineer's estimate, Mr. Ross replied that their team includes a position for estimating construction contracts.

**QUESTION #2:** How would your team differentiate between program management and traditional project deliver? Explain your understanding of what the goals and objectives of a program manager should be. What do you believe to be your competitive advantage in achieving those goals and objectives?

In summary, the proposer stated that program management encompasses everything, financing, right-of-way, design, environmental, etc. The program manager is an extension of ITD' staff: it is an integration of ITD and the proposer. Its experience managing 6 GARVEE Programs was reiterated.

In response to Member Sweeney's question, Mr. Olsen elaborated on its score system, which focuses on communication, computer visualization, CADD and design management, GIS database, securing project extranet, program reporting, and graphical interface or maps.

**QUESTION #3:** How does your team plan to bring the Department, sub-consultants, resource agencies and the private sector into the process to deliver the program? What major challenges do you foresee?

One of the areas the team emphasized was the construction industry. It stated the importance of letting the construction community know what the schedule is. Outreach will be an important component with numerous parties, such as utility companies and Chambers of Commerce. It emphasized the importance of good working relationships with resource agencies and that can be fostered through outreach.

**QUESTION #4:** Program delivery issues can result in lawsuits. Based upon your firm's past experience in program management, give an example of a divisive and contentious issue: the method you used to resolve it and how you would apply any lessons learned to this program.

The proposer reported no lawsuits were filed in its experiences. If disputes arise, the team deals with them immediately and tries to resolve the issue at the lowest possible level. If an agreement can't be reached, mediation is pursued. Good legal advice is also crucial.

**QUESTION #5:** What do you see as the greatest risk to delivery of this program and give specific examples of how you would manage this risk.

Monitoring the scope of projects and limiting changes, especially late in the design process, is important. Limitations for right-of-way and design have been established to help reduce these risks. Adjustments can be made to the financial package to mediate outside factors such as inflation. Working closely with the Associated General Contractors (AGC) of Idaho, keeping it informed of plans and schedules, is another tool.

**QUESTION #6:** Describe the adverse impacts you perceive the Connecting Idaho program will have on internal ITD resources and how they will be addressed by your firm.

Although the proposer does not foresee adverse impacts, it emphasized that communication is the key element. The program manager is there to help ITD become more efficient. The program manager must be flexible and make adjustments as necessary. The firm emphasized the partnership that it will bring to ITD.

Member McHugh anticipates an adverse impact due to ITD's employees already stretched thin and its limited resources. Mr. von Loben Sels stated that the firm would meet with each District individually to review its concerns and circumstances, and to determine the best approach with each District.

**QUESTION #7:** What is your opinion of the current schedule for the Connecting Idaho Program and how would you modify it to expedite construction more quickly?

Although the team believes the current schedule is good and realistic, it believes some projects

could be expedited. Advance construction is a tool that could be used to expedite the construction of some projects.

Member Blick commented on the importance of legislative support and approval for the Program, and that the program manager will play a key role in that process. Mr. Ross emphasized that the firm will be the Board's representative and will provide assistance as requested. Mr. von Loben Sels again emphasized the importance of having projects on the shelf ready to advertise; show the Legislature that the projects need funding.

**QUESTION #8:** Describe how the long-term tools you leave with ITD will improve and streamline the delivery of future projects outside the Connecting Idaho Program.

The team said the score system is an excellent management tool and training will be provided on managing projects. It can provide a cultural change in getting projects through the system. Financial tools are also available.

In Mr. Ross's wrap-up, he said the team's experience and expertise has been stated. The firm understands the Connecting Idaho Program and can make it successful. It will expedite construction projects, it will help stimulate the economy, and it will help connect communities. He knows ITD very well and although it is a good Department, he would like to help it improve. He believes PB/HDR has the tools and the experience ITD needs. Mr. Ross thanked the Board for the opportunity to be interviewed and said he trusts the Board will make the right decision.

In response to Member Sweeney's question, Mr. von Loben Sels said PB and HDR have no contractual agreement on this project. It is not a joint venture. HDR is a sub to PB.

Chairman Winder thanked the proposer for its presentation.

WGI/CH2MHILL Presentation. Steve Hanks summarized the proposers' background and experience managing programs, as well as its experience designing and constructing projects. Mike Kennedy elaborated on some specific programs that the firm managed. Mr. Hanks said the multi-faceted programs required flexibility and innovative solutions. Mr. Kennedy added that the proposer will take lessons learned from the various programs it has overseen for the Connecting Idaho Program; it brings world-class technological capabilities.

Dave Butzier elaborated on the work done in Idaho and on the firm's highly-qualified employees. It has a student intern plan that enhances Idaho's professional community and works with Idaho's universities, providing opportunities for graduate students. Due to its understanding of the GARVEE Program, it can accelerate the start-up of the Program.

Bryon Nicol said the cost-loaded schedule the firm developed based on its knowledge of the projects facilitates program flexibility. The firm understands the scheduling requirements drives the bonding program. It will coordinate with the Idaho Housing and Finance Authority.

Mr. Butzier emphasized the importance of communication. He elaborated on some communication tools that would be used, such as a web-based portal. Mr. Nicol mentioned long-term ITD efficiencies, such as an improved process to deliver projects, including improvements to the National Environmental Protection Act process and accelerated right-of-way acquisition.

Mr. Nicol said the team's hyper-start approach will drive an early success. It will conduct workshops, focus on program delivery priorities, and launch a 30-60-90-day plan. Effective partnering optimizes communication. It will engage team members and stakeholders. It will promote effective District coordination and is committed to communicating at all program levels. He also discussed the SEP15 proposals and the close working relationship it will have with FHWA.

Mr. Butzier summarized the quarterly report card proposal. It will define quantifiable objectives to access performance. The firm will be accountable to the Board, is committed to partnering and communication, and will explore SEP15 innovations.

The proposer has been fiscally responsible for all of its programs, according to Frank Finlayson. The program management experience the proposer has is very similar to the GARVEE bonding proposal. He relayed his experience working with rating agencies.

**QUESTION #1:** ITD has been experiencing high cost escalations on many of its projects. How would you keep costs in line with your estimate and what would your approach be if the costs overrun the legislative approved budget?

In summary, the team emphasized the problem is industry wide. It constantly updates its costs and estimating process to make adjustments as needed to address escalating costs. With its highly-qualified staff and vast information available, it has the tools capable to manage costs and manage the Program. Its goal is to deliver on time and on budget.

**QUESTION #2:** How would your team differentiate between program management and traditional project deliver? Explain your understanding of what the goals and objectives of a program manager should be. What do you believe to be your competitive advantage in achieving those goals and objectives?

The proposer said program management is lots of projects and keeping track of policies and procedures. It has the people and tools needed to deliver. The team emphasized its fiscal

responsibility and innovation, with communication a critical element. The program manager has responsibilities to the public, Board, Governor, and Legislature. The goals and objectives will be laid out and will be executed.

Because the proposer has done extensive work for ITD, Member Sweeney questioned the availability of consulting firms to replace WGI/CH2MHILL if it is selected as the program manager. Mr. Butzier said that after it was initially selected on October 27, the firm received numerous calls from consulting firms, both within and outside Idaho, inquiring about the Program. There are numerous firms that will be available to work on the Program.

**QUESTION #3:** How does your team plan to bring the Department, sub-consultants, resource agencies and the private sector into the process to deliver the program? What major challenges do you foresee?

Partnering and communication are critical. The proposed report card will keep the firm accountable. The proposer has decades of experience working with resource agencies and has credibility with them.

Member Miller referenced an unexpected environmental problem that arose during construction of a project and asked how the proposer would handle a similar situation. The proposer answered that unexpected issues often arise, but it is used to solving problems. It has experienced, highly-qualified staff on hand to resolve issues. Being flexible with the schedule will also help.

**QUESTION #4:** Program delivery issues can result in lawsuits. Based upon your firm's past experience in program management, give an example of a divisive and contentious issue: the method you used to resolve it and how you would apply any lessons learned to this program.

The proposer did not have a lawsuit in the last ten years with the \$50 billion programs it managed. Issues were resolved through communication. It has experience solving contentious issues.

**QUESTION #5:** What do you see as the greatest risk to delivery of this program and give specific examples of how you would manage this risk.

The greatest risk is not delivering the Program. Excellence and execution are key elements. The firm will do everything it can to be successful. Early, visible results will be crucial, too, as perception is important. It also acknowledged risk with the legislative process; however, it has little control on that.

In response to Member McHugh's question regarding consultants and contractors, the proposer

responded that numerous firms have already contacted WGI/CH2MHILL expressing interest in the Program. Additionally, it will use its relationship with AGC of Idaho to facilitate ensuring Idaho contractors will be able to bid on projects. Innovations, including utilizing SEP15, will also be used. Public meetings will be held in each District and contractors will be invited to ensure they know what the opportunities are. The firm will maximize participation from Idaho companies.

**QUESTION #6:** Describe the adverse impacts you perceive the Connecting Idaho program will have on internal ITD resources and how they will be addressed by your firm.

The firm does not foresee an adverse impact. It has a technology transfer proposal and leadership skills training available. It anticipates creating a positive working relationship and a good experience for all involved. It foresees enhancing ITD's Statewide Transportation Improvement Program process, as it enhances ITD's project delivery culture and process improvement. Engaging the District Engineers will also be crucial.

In response to Member McHugh's comment on the adverse impact to the District Engineers due to their full workload, the firm replied that it will resolve that issue with ITD staff. It will collaborate with the District Engineers to address their concerns.

**QUESTION #7:** What is your opinion of the current schedule for the Connecting Idaho Program and how would you modify it to expedite construction more quickly?

After reviewing the most recent schedule, the firm found ways to expedite projects. The financing mechanism is key. It has a cost-loaded schedule for every project, as it has done this sort of work all over the world.

**QUESTION #8:** Describe how the long-term tools you leave with ITD will improve and streamline the delivery of future projects outside the Connecting Idaho Program.

Changing processes, such as the project development process and right-of-way procurement, are some tools. Additionally, ITD will be able to take whatever the proposer uses, such as technology. The proposer's philosophy is to leave its clients better off after the project is completed than before the firm was hired.

In response to Member Sweeney's question on whether it has provided any new tools or innovations as part of all of the work it has already completed for ITD, Mr. Butzier responded a communication tool. The US-95, Garwood to Sagle project was explained as one example.

Ms. Smith requested clarification on the organization chart, as Mr. Finlayson was not initially on

the submittal. The proposer concurred that it amplified its organizational chart and stated that it did not include every single person on its team on the chart.

In its wrap-up, Mr. Kennedy said he believes the WGI/CH2MHILL firm is an excellent team. It is accountable for delivery, is financially responsible, and has developed an expedited schedule. Mr. Hanks said that WGI has performed this type of work throughout the world. He would like the opportunity to show Idaho what it is capable of doing. The firm will communicate effectively and it will deliver the Program.

The Board recessed for lunch at 12:20 PM and reconvened at 1:25 PM.

Discussion/Deliberation. GPA Fernandez reported the Board's scores based on the presentation and question and answer session. PB's average score for its presentation was 86.57 and for the question and answer session, 64.83. WGI/CH2MHILL had scores of 88.71 and 67.71, respectively.

The ground rules and scoring process were reviewed. DAG Vogt said the Board will discuss the morning's session, per the qualification-based selection process, and submit a second score based on the discussion. After the scores from the evaluation process are compiled, staff will report on the selection of the program manager based on the rating information. He added that the high and low scores are typically discarded.

In response to Chairman's Winder question, the Board stated that it was comfortable with the outlined process.

Member Blick made a motion to discard the high and low scores from the scoring matrix. Member Sweeney seconded the motion.

Ms. Smith confirmed that eliminating the high and low scores does not violate the RFP or agreement with the parties.

The motion passed unanimously by individual roll call vote.

Regarding experience and qualifications, overall, the Board concurred that both firms are well qualified. Member Sweeney believes, however, that although WGI has more experience working on Idaho projects, PB has the GARVEE bonding experience needed for the Connecting Idaho Program.

Member Blick said WGI's experience with the Rocky Flats project impressed him, even though it was not a transportation project like the Connecting Idaho Program.



Member McClure commented that PB did not provide an expedited schedule. He also favored WGI on this criterion because of its training program.

Chairman Winder stated that although WGI/CH2MHILL does not specifically have GARVEE bonding experience, it has successfully completed a project for the Department of Energy, which was probably more complicated.

For the implementation and management plan criterion, Member Miller said he was impressed with WGI/CH2MHILL's 30-60-90 day start-up plan. Member McHugh added that it has identified its staff for this Program.

Although Member Blick was also more impressed with WGI/CH2MHILL, he noted that the firm was initially selected as the program manager in October and had time to work on related issues in the interim, such as the start-up plan.

Member Sweeney thought that PB was more detailed and specific on this criterion. It also has extensive bonding experience.

Although PB has more GARVEE-related experience, Member McClure said the amount of work, including the dollar amount of the projects, of WGI/CH2MHILL has to be considered. It has lots of experience, including various financial experience.

Member Sweeney believes PB was stronger in the long-term efficiencies criterion. The firm would provide the best opportunity for ITD in this category.

Member McClure didn't remember PB mentioning SEP15, which he believes is a key element. Ms. Smith stated that SEP15 was included in its written proposal.

For the last criterion, organization and innovation, Member McHugh was impressed with WGI/CH2MHILL's efforts with hiring engineering students and working with the universities. Chairman Winder concurred that those efforts were a strong point, as the future work force is an important element.

Member Blick thought PB did a better job differentiating between program management and traditional project delivery, and answering that question (#2) in general. He added that he was impressed with WGI/CH2MHILL's excitement about the Connecting Idaho Program.

Member Sweeney said he thought PB showed more enthusiasm.

Upon conclusion of the discussion, the Board completed the scoring process and the information was tabulated by staff.

GPA Fernandez stated the final evaluation matrix resulted in a total score of 684 for WGI/CH2MHILL and 636 for PB/HDR. The evaluators' choice for all four criteria was also WGI/CH2MHILL.

In response to Chairman Winder's questions, GPA Fernandez said all of the evaluations were included in the final evaluation matrix and that the high and low scores were thrown out.

Member Sweeney made a motion to direct staff to prepare findings of fact and conclusions of law. Member McHugh seconded the motion.

Member Sweeney withdrew his first motion and made a substitute motion to direct staff to prepare findings of fact and conclusions of law based on the Board's tabulation as WGI/CH2MHILL as the selected proposer for the Connecting Idaho Program with final consideration at the January 18, 2006 Board meeting. Member McHugh concurred with the substitute motion.

The motion passed 6-0 by individual roll call vote.

Chairman Winder expressed appreciation to the proposers for their patience and participation in the process.

WHEREUPON the special session of the Transportation Board adjourned at 4:05 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
January 18, 2006  
Boise, Idaho

## SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

January 26, 2006

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 10:55 AM on Thursday, January 26, 2006. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Charles L. Winder, Chairman  
Bruce Sweeney, Member – District 2  
Gary Blick, Member – District 4  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director

The following principals participated in the meeting via teleconference:

John McHugh, Member – District 1  
Monte C. McClure, Member – District 3

FY06/FY07 Pay Plan. Administrator, Division of Administration (ADA) Susan Simmons presented a pay plan formulated from discussions with legislators, legislative staff, and governor's budget staff based on the Board's and Executive Team's desire to move the Department's employee compensation to a more competitive position in today's market place. The proposed funding sources for the FY06 and FY07 plan include the Governor's 3% change in employee compensation (CEC), unused appropriations, and vacancy savings, totaling \$7.9 million.

ADA Simmons elaborated on the foundational premises: all personnel costs appropriated will be expended only for personnel, funding of personnel costs will be held harmless from revenue shortfalls, a reserve for bad winters will be significantly reduced but there will still be dollars available to meet ongoing winter demands, a provision for pay exceptions, and in FY06 there will be a reversion of personnel costs appropriation as the 3% CEC for the 10 pay periods was not anticipated and no cash source was provided.

In conclusion, ADA Simmons summarized the pay plan: permanent merit increases to all employees with satisfactory or above performance, moves those who have been in their current position five years or more to policy, allocates \$1 million to targeted classes that have been experiencing excessive turnover and difficulty in recruitment and retention, FY06 short-term merits for 10 pay periods to those with satisfactory performance or above, FY06 one-time bonuses for those not eligible for short-term merits due to pay range limitations, and the payoff of all compensatory time balances for covered employees. The plan would be effective January 28, 2006.

In response to Chairman Winder's question on whether this proposal has been discussed with Division of Financial Management (DFM) and Legislative Services Office (LSO) staff, ADA Simmons replied it had been discussed with DFM staff and were told "great plan". It was also reviewed with Eric Milsted of LSO. Chairman Winder asked if the plan had been discussed with the Co-Chairs of the Joint Finance and Appropriations Committee, ADA Simmons replied that to her knowledge, it has not been discussed with those committee members. Chairman Winder asked if this plan would impact the Statewide Transportation Improvement Program. ADA Simmons responded no.

Member Sweeney made a motion, seconded by Member Blick, to approve the following resolution:

RES. NO.        WHEREAS, the Idaho Transportation Board and the Idaho Transportation ITB06-08        Department Executive Team recognize employees of the Department as invaluable assets; and

WHEREAS, the Department is on average 23% behind market per Division of Human Resources compensation study dated December 1, 2005; and

WHEREAS, due to lack of competitive compensation the Department is continuing to lose employees to local governments and the private sector; and

WHEREAS, the Department has invested significant experience, training, and dollars in the employees who are leaving; and

WHEREAS, the Department continues to have recruitment difficulties in a variety of job classes.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board adopts the use of up to \$7.9 million currently in the Department's personnel appropriation base for permanent merit increases in accordance with the Board adopted Idaho Transportation Department Pay Plan dated May 19, 2005.

Contract Award. Chief Engineer Steve Hutchinson said the low bid on ST-3270(650), key #8815 – SH-55, Junction I-84 Westbound Off Ramp to Franklin Road, Near Meridian, Ada County, District 3, was more than ten percent over the engineer's estimate, requiring justification. Two bid items, Colored, Patterned Concrete, to be used in the raised median, and Mobilization account for the major differences between the engineer's estimate and the low bid. Colored, Patterned Concrete is not a typical bid item for ITD, making bid history information very limited. Due to the project being in a major urbanized area, staff assumes the contractor increased Mobilization

costs because it may have to lease a staging area, increasing the contractor's costs to construct the project. It is also anticipated that the contractor will have to mobilize and de-mobilize on a daily basis due to the urban project area. If the project is not awarded at this time, it will result in delaying the project one year in order to re-schedule the construction around the irrigation season. Based on this information and the urgency of this safety-related project, staff recommends awarding the contract.

Member McClure made a motion to award the contract on key #8815 to the low bidder: Idaho Sand & Gravel Company Inc., Nampa, Idaho - \$1,424,580.57. Member Blick seconded the motion.

Member Blick asked if staff knew why only one contractor submitted a bid. CE Hutchinson said he does not know, but that topic is going to be discussed with the Associated General Contractors of Idaho at an upcoming meeting.

The motion passed 4-0 by individual roll call vote.

Vice Chairman John X. Combo, District 6, who was attending a business meeting in Missoula, Montana, joined the meeting via pre-arranged telephone at this time. Chairman Winder recapped the discussion on the proposed pay plan.

The motion to approve the above resolution, adopting the use of up to \$7.9 million for permanent merit increases, passed 5-0 by individual roll call vote.

WHEREUPON the special session of the Transportation Board adjourned at 11:25 AM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
February 23, 2006  
Boise, Idaho

## REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

February 22-23, 2006

The Idaho Transportation Board met at 8:30 AM, on Wednesday, February 22, 2006, at the Idaho Transportation Department, Boise, Idaho. The following principals were present, with Vice Chairman Combo presiding:

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Monte C. McClure, Member – District 3

Gary Blick, Member – District 4

Neil Miller, Member – District 5

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Karl Vogt, Deputy Attorney General

Programming Policy. Director Ekern reiterated the Department's strategic focus areas, including improving project/program delivery and planning and innovative financing. He believes integrating ITD's vision, performance, and program are critical, particularly due to concerns with maintaining and preserving the current system. Some of the program principles include: the structure translates goals to implementation; each mode will have a program structure; the Statewide Transportation Improvement Program (STIP) will be unified; it will be recognized in the Performance Management System; it uses investment goals, not mandates; it is a priority setting process; and it focuses on a five-year delivery window.

Chairman Charles L. Winder joined the meeting at this time.

Manager, Transportation Investments Dave Amick summarized the discussions held at the November workshop on programming. District Engineer (DE) 6 Tom Cole provided information on STIP development in other states. A Long Range Capital Investment Plan was proposed. In addition to the five-year STIP, which will include projects that can be delivered in that time frame, three horizons would be established, replacing Preliminary Development. Horizon 1 would include concepts in years 16 and beyond, Horizon 2 for years 11-15, and Horizon 3 for years 6-10. Feasibility studies would be conducted to determine which projects would eventually be moved into the five-year STIP, and which projects should be dropped from consideration. (See later minute entry.)

Performance Management. Lance Neumann and Steve Pickrell, representatives from Cambridge Systematics, Inc., said performance management is linking goals and objectives to resources and

results. In reviewing ITD's current processes, the consultants determined performance measures are being used well in some areas; other areas may have good data but more effective performance measures need to be defined and implemented; there are differing interpretations and levels of understanding of performance management among ITD staff; and application of performance data to decisions is uneven across programs and Districts.

Mr. Neumann recommended ITD link its strategic plan to three key areas: systems, internal management, and customer service. Additional next steps would be to finalize the Department's performance management framework; develop internal teams and strategies to develop appropriate measures in each area; conduct a workshop with the Board to select strategic, high-level measures; conduct regular progress reporting to establish top management support and commitment; and maintain and develop additional information technology capabilities as needed to support decision-making.

Member Miller asked if this effort will explore the Department's rules and regulations with the ultimate outcome to reduce costs and improve efficiencies. Mr. Neumann replied that his efforts will not go into that detail; however, as the Department identifies measures and expands on performance measures, those issues could be explored.

Member Sweeney questioned the interview process. Both Messrs. Neumann and Pickrell were impressed with staff's willingness to discuss and explore performance measures, but some concerns were expressed regarding work load and the impacts this technique may have on staff's day-to-day jobs. One district engineer was interviewed and the rest of the participants were from Headquarters.

Director Ekern elaborated on the Department's efforts to develop yearly strategic plans and the desire to establish a better system to implement those goals and review implementation.

Chairman Winder thanked Messrs. Neumann and Pickrell for the presentation.

Joint Action Plan: Public Transportation. Public Transportation Administrator (PTA) Larry Falkner reported that Ada County Highway District, Community Planning Association of Southwest Idaho (COMPASS), ITD, and Valley Regional Transit have been working cooperatively to advance public transportation in Ada, Boise, Canyon, Elmore, Gem, and Payette Counties. The group's focus areas are: communication, collaboration, and coordination; long-range public transportation planning; coordinated investment planning; local government implementation strategies; and outreach activities. He said action items have been identified for each major subject, along with the lead agency responsible for each and a timeline. The action plan was presented at the workshop. Staff intends to request Board support and approval of the plan at a future meeting.

Chairman Winder thanked PTA Falkner for the update and for his efforts with this plan.

Community and Regional Planning Opportunities. Dr. Michael Blankenship, Dean, Boise State University, said with the rapid population growth in the Treasure Valley and other urban areas of the state, the demand for easily accessible information, expertise in planning, and a supply of certified planners has reached a decisive point. The College of Social Sciences and Public Affairs is seeking support for two initiatives that will address this critical issue: a state of the region report that provides indicators in essential areas such as housing, education, the economy, etc., and the creation of a nationally certified Masters of Community and Regional Planning degree. He requested Board assistance with these initiatives.

Member McHugh questioned the benefits to ITD. Dr. Blankenship emphasized that opportunities for the entire state to address growth issues would be established. This is not strictly an effort to assist the Treasure Valley. It would assist the Department with planning. Director Ekern added that the initiatives complement the partnership efforts that ITD and COMPASS have established.

The general consensus of the Board was to support the initiatives. Staff is to provide a recommendation on assistance at a future meeting.

Chairman Winder thanked Dr. Blankenship for his presentation.

Presentation – 3M. Representatives from 3M elaborated on four topics. Steve McQueen summarized Idaho's current process to manufacture license plates. He said digital license plates eliminate the need for a big inventory of various plates, provide a safer environment for production as odors and fumes are eliminated, and save space. He has discussed changing to digital plates with Correctional Industries.

In response to Member Sweeney's question on the life and cost of digital plates, Mr. McQueen stated that the plates last seven years and costs are comparable. Some costs associated with manufacturing and distributing license plates are reduced, such as postage because of the lighter weight aluminum, but other costs may increase. He added that the digital license plates have improved visibility and readability, which is an advantage for law enforcement.

More motor vehicle entities are changing to the point of purchase. This method reduces inventory issues and security concerns. 3M is working with ITD on a pilot program.

The REAL ID Act was summarized, focusing on security issues. Major changes are being implemented for driver's licenses if the license is to be recognized as a federal identification document. Because a citizen will need four types of identification to obtain a driver's license,



staff will need additional time to verify the authenticity of these documents. This will result in the delay of issuing licenses.

In conclusion, an overview on traffic signs and pavement markings was provided. As the nation's population continues to age, impacts to older drivers, such as poorer eye sight and reduced reaction time, must be considered.

Chairman Winder thanked the 3M representatives for the informative presentation.

Presentation – Correctional Industries (CI). Bill Oldham, CI Manager, provided a history of CI, its mission, and an overview of items manufactured. The goals of CI are to develop positive work attitudes, provide vocational job skill training, provide social skill training, and reduce recidivism. He emphasized the important partnership CI has with ITD to produce license plates and traffic signs. Mr. Oldham said CI desires to be the exclusive manufacturer of Idaho's drivers' licenses.

The Board expressed concerns with security issues if CI produces drivers' licenses. Mr. Oldham and Mr. McQueen elaborated on the various measures taken at CI and other correctional institutions throughout the country to address security concerns.

Chairman Winder thanked Mr. Oldham for the overview on CI.

Update: Division of Motor Vehicles' (DMV) Information Technology (IT) System Transition. Bob Schumacher, Project Manager, elaborated on the Division of Aeronautics' current process to register aircraft and license pilots. Aeronautics' needs are being interfaced with DMV's financial system. Pilots and aircraft owners will be able to conduct their business at county assessors' offices, instead of through the Division of Aeronautics.

Mr. Schumacher provided an update on the IT system since the options were presented to the Board last August. Due to concerns with the initial request for proposal (RFP), staff is requesting an RFP to solicit the services of a Solution Planner to be responsible for the planning phase of the project. Once the best option for ITD has been selected, another RFP will be issued to retain a software vendor to design, develop, and implement the recommended option. Mr. Schumacher added that \$3 million is being requested in the FY07 budget for the IT system. Acquiring grants for the system is being explored, plus the Solution Planner will also look at funding options. The total cost for the transition is approximately \$53 million.

Although the Board acknowledged the need to replace the current IT system, it expressed concern with the costs. It encouraged staff to stay within budget, justify the system and expenditures, and

ensure adequate testing is completed before the system is implemented. Chairman Winder also encouraged staff to consider a surcharge on drivers' licenses and vehicle registrations for a certain time period to recoup the Department's costs. (See later minute entry.)

WHEREUPON the meeting recessed at 4:25 PM.

February 23, 2006

The Board reconvened at 8:30 AM on Thursday, February 23, 2006, at the Transportation Department. All members were present.

Board Minutes. Member Blick made a motion to approve the minutes of the regular Board meeting held on January 17-18, 2006 as submitted and the minutes of the special Board meeting held on January 26, 2006 as corrected. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

March 15-16, 2006, - Boise

April 19-20, 2006 – District 2

May 17-18, 2006 – District 4

As part of the up-coming District tours, Director Ekern suggested conducting public meetings on the Forum on Transportation Investment's (FTI) report. The comments and suggestions obtained at these statewide meetings could be used to formulate final recommendations for consideration. The Board had no objections to coordinate FTI meetings in conjunction with each District tour.

Consent Calendar. Vice Chairman Combo made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO.     *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-09       approves the Western Governor's Association - Transportation Initiative; the Community Planning of Southwest Idaho Statewide Transportation Improvement Program (STIP) amendment; the ITD STIP amendment to add additional projects; the addition of Performance and Registration Information Systems Management to FY06 of the STIP; changes to Board Policy B-11-06, Surface Transportation Program Rural Exchange and Local Rural Highway Investment Program; a supplemental agreement request for final design on US-95, Milepost 468.15 to 477.36, District 1; and the Red Bull Air Race in Twin Falls request; and has received and reviewed the contract award information; the new and supplemental professional agreements report; the Motor Carrier Advisory Committee

Executive Order; the fiber optic connection proposal in Pocatello; and the quarterly returned check report.

- 1) Western Governor's Association (WGA) – Transportation Initiative. In June 2005 Governor Kempthorne sponsored, and the WGA adopted, a resolution to establish a transportation initiative to focus on ensuring that there is understanding, policy, and funding to: understand and support economic growth; improve safety; establish new and sustainable innovative revenue sources; and modernize program and service delivery models for transportation. WGA proposed a three-year effort to address these challenges in partnership with the Western Association of State Highway and Transportation Officials (WASHTO) and has advanced a tentative work plan. Director Ekern requested authorization to participate in the WGA/WASHTO initiative, provide periodic reports, and for Board involvement in the initiative.
- 2) Community Planning Association of Southwest Idaho (COMPASS) Statewide Transportation Improvement Program (STIP) Amendment. COMPASS is requesting a STIP amendment to accommodate changes made by Valley Regional Transit.
- 3) ITD STIP Amendment to add additional projects. The passage of SAFETEA-LU resulted in a significant increase to the Federal Transit Administration-funded programs. When the STIP was approved in September, the Division of Public Transportation did not have enough projects to program the entire appropriation, so solicited for supplemental grant applications. Eight requests were received and are being recommended for funding. Staff requested the addition of six projects in the Section 5310 Elderly and Persons with Disabilities Program and two for Section 5311(f) Intercity funding. The total cost of these FY06 projects is \$618,000.
- 4) Addition of Performance and Registration Information Systems Management (PRISM) to FY06 of the STIP. Staff requested the addition of the PRISM project to FY06. This program links the motor carrier safety information system of the U.S. Department of Transportation and similar state systems with state commercial motor vehicle registration and licensing systems. Its purpose is to determine the safety fitness of the motor carrier prior to issuing license plates and to cause the carrier to improve its safety performance through an improvement process, and where necessary, apply sanctions. Benefits of PRISM include improved motor carrier and highway safety, accurate identification of high risk motor carriers, improved efficiency and productivity of state and federal resources, improved data accuracy, and improved customer service. The Federal Motor Carrier Safety Administration has provided ITD and Idaho State Police with \$500,000 to implement this program by September 30, 2007. No match is required.
- 5) Change in Board Policy B-11-06, Surface Transportation Program Rural Exchange and the Local Rural Highway Investment Program. Due to changes in Section 67-2806(2), Idaho Code, staff requested approval to revise the minimum open competitive bid dollar amount from \$25,000

to \$50,000 in B-11-06.

6) Supplemental Agreement Request for Final Design on US-95, Milepost 468.15 to 477.36, Key #1729, District 1. Staff requested the approval of a supplemental agreement in the amount of \$975,000 for engineering services to complete cultural resources research and data recovery, additional right-of-way support, and railroad coordination work for the US-95, Milepost 468.15 to 477.36 project. To date, the original agreement plus the supplemental work are approximately 90% complete with \$12,770,000 of the approved funds expended. Final design work is complete and only environmental work items remain. The project is anticipated to bid in the fall of 2006.

7) Red Bull Air Race in Twin Falls, District 4. Earlier, Red Bull Air Race World Series approached the Twin Falls Chamber of Commerce and Board about scheduling an air race in the Snake River Canyon near Twin Falls. The initial proposal included closing the US-93, Perrine Bridge during practice sessions and the final race. Due to concerns with this closure, the Federal Aviation Administration (FAA) was asked to waive the 500-foot clear zone. The FAA denied this variance. Red Bull has since selected a different site for the 2006 race, but may consider the Twin Falls area for a future race; therefore, staff recommends deferring any decision or action until the City of Twin Falls or the Chamber of Commerce requests additional assistance.

8) Contract Award Information. Key #8711 – Lewiston Visitor Enhancements, District 2. Low bidder: Five Rivers Construction, Inc. - \$587,232.

Key #9220 – US-20, Cat Creek Summit to Timmerman, District 4. Low bidder: Marcon, Inc. - \$656,405.

Key #7366, US-95, Chain-up Area to Grangeville, District 2. Low bidder: Poe Asphalt Paving, Inc. - \$1,424,009.

Key #6608 – SH-200, Mosquito Creek Bridge, Clark Fork, District 1. Low bidder: Westway Construction Company, Inc. - \$2,062,848.

Key #7767 – Riverton Road Bridge, Bingham County, District 5. Low bidder: Cannon Builders, Inc. - \$602,977.

The low bid on key #8841 – US-93, Sportsman Access Road to Milepost 122, District 6, was more than ten percent over the engineer's estimate, requiring justification. Staff rejected the bids.

9) New and Supplemental Professional Agreements Report. From December 28, 2005, through January 31, 2006, the Consultant Administration Unit processed \$1,574,094 in professional, supplemental, and term agreements.

10) Motor Carrier Advisory Committee (MCAC) Executive Order. Effective February 1, 2006, the Governor's Office issued Executive Order #2006-06 authorizing continuance of the Governor's MCAC with changes to the membership. The Governor will appoint the chairman, to serve at the pleasure of the Governor; the Chair of the Idaho Trucking Association is to be a member; and each ITD district within the state shall be represented by at least one and no more than three industry segment appointees. The executive order reconfirms ITD's role as the lead agency responsible for providing administrative support and financial assistance for members' meeting expenses.

11) Fiber Optic Connection Proposal in Pocatello, District 5. District 5 and the City of Pocatello have a joint project for Intelligent Transportation Systems (ITS) fiber installation. Direct Communications Rockland presented a plan to utilize this ITS conduit infrastructure to provide enhanced telecommunication services to ITD, Idaho State Police (ISP), and citizens of the community. The proposal is to connect the Pocatello facilities to the Syringa Networks statewide fiber optic network for access to one of the conduits and the fiber optic network. The conduit and fiber would be installed in the I-15 right-of-way, but all junction boxes or hand holes would be installed outside of the right-of-way. The benefits of this proposal include providing ITD and ISP access to Syringa Networks Communication Infrastructures at reduced costs; additional ITS management locations; direct fiber access from the District yard to the City of Pocatello and Idaho State University for ITS access; and increased access capacity to the County DMV registration office. ITD incurs no cost on this project. FHWA submitted a letter of approval.

12) Quarterly Returned Check Report. During the second quarter of FY06, \$12,981,420 in checks were received, while \$66,039, or .51% were returned. The collection of returned checks amounted to \$67,109 for a quarterly collection rate of 101.62%.

Report on Financial Procedures on ITD Statewide Segment. The Legislative Services Office (LSO) conducted certain financial audit procedures on the Department's financial activities. It concluded that the financial operations meet acceptable standards and comply with laws, regulations, rules, grant agreements, and contracts for which they tested compliance. No findings or recommendations were reported.

Member McHugh emphasized the good report and that LSO is satisfied with its findings; although two suggestions were made. He discussed the report with staff yesterday.

Member McHugh made a motion to accept the report. Member Blick seconded the motion and it passed unopposed.

Election of Vice Chairman. Member Sweeney made a motion to re-elect John X. Combo as Vice

Chairman of the Board. Member Blick seconded the motion and it passed unopposed.

Board Items. Chairman Winder mentioned several legislative meetings he attended recently, with the focus of discussion on the GARVEE Program. He also asked staff to prepare thank you letters to the co-chairmen and participants of the FTI for his signature, as he appreciated the extensive time and efforts the participants committed to that important project.

Department Activities. Director Ekern elaborated on the discussions the Joint Finance and Appropriations Committee held on the GARVEE Program. There is some legislative interest for ITD to complete more work in-house versus utilizing the private sector. Chief Engineer Steve Hutchinson provided an analysis on the manpower required to deliver the Highway Development Program. Discussion followed on this issue, including concern that ITD is losing expertise, both through retirement and due to staff retention issues.

Administrator, Division of Administration Susan Simmons relayed the gratitude of numerous employees for the recent pay increase approved by the legislature and Board. She provided statistical information on the pay plan. A team comprised of the division administrators will continue to explore various compensation issues and options to address the concerns.

Member McHugh commented that the ITD Executive Team, legislature, and Governor were also instrumental in the recent pay actions, not just the Board. Chairman Winder said a lot of progress has been made relating to compensation. He expressed appreciation for the various participants' efforts. (See later minute entry.)

Controller Dave Tolman reported that the transition to the American Management System (AMS) is proceeding well. Various transactions, including timesheet submittals, federal billings, purchase orders, and accounts payable, have been completed successfully. Timesheet training is continuing. He added that other agencies have expressed interest in AMS and ITD will provide information and assistance as necessary.

Assistant Chief Engineer – Operations (ACE-O) Greg Laragan summarized the partnership ITD has established with the Idaho National Laboratory (INL). INL, under new management, is placing greater emphasis on safety. DE Cole elaborated on efforts District 6 has undertaken with the Laboratory to improve highway maintenance and information systems on and around the INL reservation. Some of the areas of focus are to educate and solicit input from INL employees regarding ITD's traveler services web site and 511 service; winter maintenance; Road Weather Information System sites; radio communications; dynamic message signs; and equipment fleet. DE Cole is pleased with the partnership and enhanced communication, which resulted in INL better understanding the issues and challenges facing ITD. This led to INL's offer of assistance to help provide additional resources so ITD can manage winter maintenance operations better.

Chairman Winder thanked staff for the report and for establishing an excellent partnership with INL.

December Financial Statement. Controller Tolman summarized the mid-year financial report and provided revenue and expenditure trends. Total federal aid revenue was \$23.5 million, or 12% below projections through December. Revenue from the Highway Distribution Account was \$1.2 million, or 1.3% less than anticipated. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, the federal program was less than spending projections by 3% and the state program was 13% less than projections.

Aviation fuel tax revenue through the end of December was 5% ahead of projections. Miscellaneous revenue was 40% ahead of forecast. Overall expenditures were less than last year.

In the Aircraft Operations Fund, the revenue was \$24,500 ahead of projections. Personnel expenditures were slightly higher than last year.

Controller Tolman said last year expenses in the Aeronautics' federal program was \$776,000, while this year expenses to date are \$600. Aeronautics Administrator Bob Martin elaborated on this Program and the problems encountered, largely due to Congress' delay in establishing the Federal Aviation Administration's budget and releasing the federal appropriations. Staff applied for three grants for FY06. If the grants are received, the Division will be able to carry-over the money into the next fiscal year if necessary.

Chairman Winder thanked Messrs. Tolman and Martin for the report.

American Concrete Pavement Association National Pavement Award – District 4. Chairman Winder and Member Blick presented the 2005 American Concrete Pavement Association National Pavement Award to District 4 and Headquarters. The I-84, Glenns Ferry to King Hill project was a finalist in the Divided Highways-Rural category of the National Pavement Awards Program for Excellence in Concrete Pavement. The Board commended staff for its accomplishment and recognition.

Legislative Update. Budget, Policy and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided an update on legislative issues. A lot of questions have been asked regarding the GARVEE bonding proposal. Although the issue of when the bonds would be issued has not arisen, BPIRM said that special language would be needed in the legislation to issue bonds prior to the start of fiscal year 2007. The majority of ITD's legislative proposals are proceeding through the system. (See later minute entry.)

Chairman Winder thanked BPIRM Pipal for the update.

Delegation – John Watts, WATCO Short Line. Mr. Watts thanked the Board for its time. He presented draft legislation on the Rural Economic and Integrated Freight Transportation Program and summarized changes made since he proposed the Railroad Preservation Act concept to the Board last month. Although railroads are an integral part of the bill, the concept has been enlarged to address freight in general and providing Intermodal services to customers. The Department of Commerce is the lead agency with oversight of the program and specifically the revolving loan account; however, ITD plays a key role, as moving people and freight via all modes is part of its mission.

BPIRM Pipal added that Mr. Watts has been working with ITD staff on this proposal. She believes it is an economic development bill, so the Department of Commerce should be the lead agency.

Vice Chairman Combo made a motion to direct Director Ekern to review the draft legislation relating to rail service preservation and take a position on the proposal as he deems appropriate. Member McClure seconded the motion and it passed unanimously.

Delegation – Chevron, Inc. Steve Thomas, representing Chevron, Inc., spoke in opposition of Senate Bill 1267, mandating a 10% ethanol blend in Idaho's gasoline. He emphasized that his client is not opposed to ethanol, but rather to the mandate. The market is the key and consumers should have the choice to purchase the fuel they desire. The industry is exploring alternative fuel sources. Mr. Thomas said a similar bill failed last year due to air quality concerns. The legislation was revised to require gasoline retailers to make adjustments to the fuel tanks to help curb ozone pollution in summer due to ethanol's volatility. The adjustments would be costly, with estimates of approximately \$5,000 per tank as a minimum.

Lee Peacock, Executive Director of the Utah Petroleum Association, said the majority of fuel consumed in Idaho is produced in Utah. The Association is concerned with Idaho's proposal because it would require altering the fuel provided to Idaho, as none of the other states it provides fuel to require the ethanol blend. This would result in logistical problems and may result in supply disruptions. The ethanol would have to be blended at the rack, creating storage issues, which is an expense that may be passed on to Idaho consumers.

Although Member Blick concurred that the market should dictate the product, he expressed concern that consumers' options to purchase alternative fuel are greatly restricted. He believes more choices are needed. He asked when the industry will provide more ethanol or other alternative fuels. Mr. Peacock said major companies will participate when it is economically feasible. The industry is already exploring and investing in alternative fuels.



Member Miller made a motion to remain neutral on Senate Bill 1267. Member Blick seconded the motion and it passed unopposed.

Executive Session Legal Issues, Section 67-2345(1)(f), Idaho Code. Member Blick made a motion to meet in executive session at 11:45 AM to discuss legal issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on condemnation cases on the I-84, Karcher Interchange and US-2, Dover Bridge projects; the status of the US-95, Mica Bay settlement; litigation related to the operation of the state highway system; and a matter related to access on Eagle Road.

The Board came out of executive session at 1 PM. No decisions were made.

Safe Routes to School (SRTS) Board Policy and Program Implementation. Chairman Winder congratulated Brent Jennings on his recent promotion to Traffic and Highway Safety Engineer and welcomed him to the meeting. Traffic Engineer Jennings elaborated on the SRTS Program created in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users. The purpose is to enable and encourage children to walk and bicycle to school; to make bicycling and walking to school a safer and more appealing transportation alternative; and to facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools. Idaho will receive \$1 million in FY06 for the Program, for both infrastructure and non-infrastructure projects, but the non-infrastructure expenditures are limited to 10 to 30% of the funds. No match is required. Although some issues still need to be resolved, such as the SRTS coordinator, staff requested approving a policy to provide guidance on the Program and establish a SRTS Advisory Committee.

In response to Vice Chairman Combo's question, Intermodal Planning Manager Pat Raino replied that the Idaho Traffic Safety Commission has not been involved in this Program to date. Director Ekern added that the Commission is scheduled to meet next month and staff plans to involve it in the strategic planning.

Member Sweeney expressed concern with the limited funds available for the Program, as every community in the state could have SRTS needs and could be eligible for funding. The appropriation is not sufficient to address the statewide needs.

Member McHugh made a motion, seconded by Member Miller, and passed 5-1, with Member Sweeney voting no as a matter of principal, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department has been working with the

ITB06-10 Idaho Legislature over the last eighteen months to establish a Safe Routes to School (SRTS) Program for the State of Idaho; and

WHEREAS, a SRTS Advisory Group was created to help formulate program policy; and

WHEREAS, the United States Congress has passed the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (P.L. 109-59), establishing a federal “Safe Routes to Schools” Program under Section 1404 of such act, the purpose of which is to 1) enable and encourage children in grades K-8, including those with disabilities, to walk and bicycle to school, 2) make bicycling and walking to school a safer and more appealing transportation alternative, thereby encouraging a healthy and active lifestyle from an early age, and 3) facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools; and

WHEREAS, under the federal SRTS Program, no state shall receive an annual apportionment of federal funds for the Program of less than \$1,000,000, which funds may be used for the planning, design, and construction of infrastructure-related projects that meet the purposes of the Program, and for non-infrastructure related activities (10 to 30 percent of funding) such as public awareness campaigns, education and law enforcement, and funding a required full-time position of “Coordinator of SRTS Program”; and

WHEREAS, all SRTS federal funding will be 100 percent; and

WHEREAS, the Secretary of Transportation issued Program guidance for the SRTS federal aid program on January 6, 2006.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves adoption of Board Policy B-11-07, Safe Routes to School Program, providing that the Director shall administer the Idaho SRTS Program for the state in accordance with Section 1404 of SAFETEA-LU (P.L. 109-59), the federal guidance issued on January 6, 2006, and any subsequent federal guidelines or regulations concerning projects and activities under the Program; and also including establishment of a “Safe Routes to School Advisory Committee” to develop criteria for awarding projects based on federal criteria, review Program project applications, and make recommendations to the Board for projects to be included in the Statewide Transportation Improvement Program; and

*BE IT FURTHER RESOLVED*, that in order to facilitate award of current year FY06 SRTS funding, ITD's SRTS coordinator will work with the existing SRTS advisory group to bring a timely recommendation for the obligation of FY06 funds that is beneficial to the SRTS Program and meets FHWA guidance.

Engineer's Estimate – Overview and Purpose. CE Hutchinson summarized the procedures related to engineers' estimates for construction contracts. Developing the estimate is a requirement for federal-aid construction projects. Acting Roadway Design Engineer Gary Moles elaborated on the process to review bids, including a collusion analysis, and prepare bid justifications if needed.

CE Hutchinson said staff is in the process of revising the current policy due to changes in the industry since the policy was signed in 1998. The consensus of the Board was to have staff update the existing policy; consider the total programmed amount of the project, not just the engineer's estimate, when comparing the low bid amount; and other changes as appropriate to improve the procedures.

Contract Awards. CE Hutchinson said the low bid on STP-7316(104), key #9248 – US-20B, Intersection Iona Road, Near Idaho Falls, Bonneville County, District 6, was more than ten percent over the engineer's estimate, requiring justification. Bids most significantly overran the engineer's estimate for the Traffic Signal Installation item. The District contacted the low bidder and determined that staff underestimated this item due to rapid changes in the market. The District recommends awarding the contract.

Member McClure made a motion to award the contract on key #9248 to the low bidder: Wheeler Electric Inc., Idaho Falls, Idaho - \$195,344. Member Miller seconded the motion and it passed unopposed.

The low bid on BR-STP-5170(106), key #9164 – Mashburn Railroad Bridge, Benewah County, District 1, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the engineer's estimate was based on the 2004 Average Unit Price Report and review of recent costs from similar projects. The major difference between the engineer's estimate and the low bid was in the Mobilization price. Although less major, other discrepancies were in the ¾" Aggregate and Partial Removal of Bridge items. For the first two items, the District did not sufficiently take into account the impact that the remote location of the project had on the unit prices. Staff does not believe a benefit would be realized if the project is readvertised and recommends awarding the contract.

Member McClure made a motion to award the contract on key #9164 to the low bidder: A & R Construction Inc., Lewiston, Idaho - \$1,231,953.53. Vice Chairman Combo seconded the motion

and it passed unopposed.

CE Hutchinson said the low bid on STP-3230(102), key #6299 – US-20, Hewlett Packard Main Entrance to Joplin Road, Boise, Ada County, District 3, was more than ten percent over the engineer's estimate, requiring justification. The items of major difference from the engineer's estimate were Retaining Wall Soldier Pile and Mobilization. The source of the engineer's estimate was the average unit price report and the bids received on recent bid openings. This is the third advertisement of this project for bids. The District does not believe a cost savings would be realized if the project is readvertised, and due to the urgent need to improve this section of road, recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #6299 to the low bidder: Idaho Sand & Gravel Company, Inc., Nampa, Idaho - \$6,896,907.90. Member McClure seconded the motion and it passed unanimously.

Old/New Business. Vice Chairman Combo made a motion, seconded by Member Blick, and passed unopposed, to approve the following resolution:

RES. NO.        WHEREAS, the Idaho Transportation Department has adopted and is  
ITB06-11        implementing a long term information systems modernization and  
transformation; and

WHEREAS, the current Division of Motor Vehicles (DMV) software and hardware systems are outdated and difficult to maintain and upgrade due to the number of Department and legislatively required changes performed each year; and

WHEREAS, the DMV has seen significant volume increases due to the state's continued rapid population increase; and

WHEREAS, Idaho's population is predicted to grow 56% by 2030, a rate of growth twice that of the national average; and

WHEREAS, the current DMV system uses proprietary hardware and software that is obsolete with no replacements commercially available; and

WHEREAS, the customer service may suffer due to limited county office expansion capabilities; and

WHEREAS, multiple program development options have been considered; and

WHEREAS, multiple vendors and other state Departments of Motor Vehicles have

been consulted; and

WHEREAS, the existing system will not be viable in the future and will not be capable of maintaining customer service; and

WHEREAS, the current system does not allow quick and accurate information sharing between DMV and other stakeholders and makes statistical retrieval and evaluation difficult and inaccurate; and

WHEREAS, the current system does not meet the Department's financial services and inventory tracking requirements; and

WHEREAS, the Department is considering two options for the maintenance and hosting of the new system: 1. New System Developed By Vendor – Hosted/ Maintained By ITD IT and 2. New System Developed By Vendor – Hosted/ Maintained By Vendor; and

WHEREAS, the Department requires a market analysis and a cost benefit analysis; and

WHEREAS, the Department requires a financial plan and a business re-engineering study prior to the purchasing of a new system.

*NOW THEREFORE BE IT RESOLVED* that the Department is directed to develop a request for proposals for the services of a Solution Planner in the development of a new DMV system.

Vice Chairman Combo made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO.      WHEREAS, the Governor and the Idaho State Legislature recognized the ITB06-12      necessity to address Idaho Transportation Department employee compensation; and

WHEREAS, the Governor and the Idaho State Legislature worked with the Department and Idaho Transportation Board to permit flexibility in use of existing personnel appropriated dollars; and

WHEREAS, the Governor and the Idaho State Legislature authorized an additional 3% funding in personnel cost appropriation beginning in Fiscal Year 2006.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board would like to express its appreciation to the Idaho State Legislature and the Governor for their leadership and guidance in addressing the Department's employee compensation.

Vice Chairman Combo made a motion, seconded by Member Sweeney, to approve the following resolution:

RES. NO.        WHEREAS, the Idaho Transportation Board and Idaho Transportation ITB06-13        Department staff held discussions on November 16, 2005 and February 22, 2006 on establishing a next generation system for highway program development and management; and

WHEREAS, the Board understands the need to establish a long-range capital investment plan to address transportation needs beyond the five-year Statewide Transportation Improvement Program; and

WHEREAS, these workshop discussions included a method to prioritize funding for design and delivery of projects in comparison to continued project development of longer term unfunded projects in Preliminary Development; and

WHEREAS, the Board recognizes the need to develop and deliver a realistic and fiscally constrained Highway Development Program.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs staff to incorporate the following concepts in the upcoming Highway Program update:

- 1) a five-year delivery oriented program that does not include projects unable to be delivered for construction in the five-year period;
- 2) an interim "proof of concept" proposal for establishing a draft Long Range Capital Investment Plan for Board review in June 2006 that describes the planning processes for analyzing and funding current long-range capital projects not fundable or deliverable in a five-year delivery program; and
- 3) continued use of a program structure focused on outcome based investment areas.

Discussion followed on how funding for long range capital projects might be reflected in the STIP.

The motion passed unanimously.

Director Ekern said the Executive Team discussed the annual Western Association of State

Highway and Transportation Officials conference in Hawaii in August. The decision was to send five staff members, plus interested Board members, to the conference. Although Chairman Winder recognizes the perception concerns with the location, he believes it is a beneficial conference and it is important to send appropriate staff members, such as those serving on WASHTO Subcommittees if those subcommittees conduct meetings at the conference.

Member McHugh commented that variable message signs aren't used much. He often sees blank signs and believes it would be advantageous to utilize those signs more. He may revisit this issue next month.

Member Miller left the meeting at this time.

Member McHugh made a motion to endorse House Bill 661, relating to fuel tax on reservations. Member Blick seconded the motion and it passed unanimously.

Discussion followed on House Bill 602, adding a \$3 fee to registrations for Idaho State Police officers' training. No action was taken on this legislative proposal.

Member Blick made a motion to authorize Director Ekern, working with DAG Vogt, to approve a settlement on the condemnation case State v. Birch on the I-84, Karcher Interchange, Nampa, Stage 1 project in Canyon County. Member McHugh seconded the motion and it passed unanimously.

ACE-O Laragan informed the Board of an upcoming class related to construction activities, such as project delivery and contracting concepts that are fairly new to ITD. He encouraged Board attendance at this training.

ACE-O Laragan also informed the Board that ITD will be hosting a WASHTO Subcommittee on Construction meeting next month in Boise.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:20 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
March 15, 2006

# Boise, Idaho



## REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

March 15-16, 2006

The Idaho Transportation Board met at 8:30 AM, on Wednesday, March 15, 2006, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General

Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on February 22-23, 2006 as submitted. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

April 19-20, 2006 – District 2  
May 17-18, 2006 – District 4  
June 20-22, 2006 – District 6

Consent Calendar. Member Blick made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO.     *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-14     approves the addition of US-95, Milepost 210.5 Landslide, Idaho County, District 2, to FY07 of the Emergency Relief Program and the state institution road improvement funds annual allocation; and has received and reviewed the contract award information; the new and supplemental professional agreements report; the quarterly report on legal actions; the annual report on state-owned buildings; and the January financial statement analysis.

1) Addition of US-95, Milepost 210.5 Landslide, Idaho County, to FY07 of the Emergency Relief Program. The Governor declared a state of emergency in Nez Perce County as a result of flash flooding in May 2005. This flooding was the proximate cause for a landslide that crossed US-95 at milepost 210.5 in Idaho County. Emergency repair of the roadway was accomplished and

funded through District 2 operations and personnel budgets for approximately \$322,000. A Detailed Damage Inspection Report has been submitted to Federal Highway Administration requesting Emergency Relief funding in the amount of \$4.421 million to reimburse District 2 for the emergency repairs and to fund the permanent repairs. No funds have been allocated by FHWA yet. Staff requested adding the US-95, Milepost 210.5 Landslide, project to FY07 of the Statewide Transportation Improvement Program so permanent repairs to the highway can begin.

2) State Institution Road Improvement Funds Annual Allocation. Per Board policy, up to \$30,000 may be dispersed annually for road improvements in, through, and around the grounds of state institutions. As defined in a memorandum of understanding with the Department of Administration, Division of Public Works (DPW), DPW will solicit projects from state institutions and acquire the Governor's endorsement prior to authorization by the Board. DPW presented a request for an FY07 allocation of \$30,000 for road improvements at the headquarters of the Idaho Department of Parks and Recreation. The Governor has endorsed this project. Upon Board concurrence, DPW will receive the funds and administer or cause to be administered this roadway improvement project.

3) Contract Award Information. Key #8654 and #8658 – I-84, FY06 District 3 and 4 Pavement Striping. Low bidder: Specialized Pavement Marking, Inc. - \$487,357.

4) New and Supplemental Professional Agreements Report. From February 1 through February 24, the Consultant Administration Unit processed \$3,388,166 in professional, supplemental, and term agreements.

5) Quarterly Report on Legal Actions and Contract Claims. A report on the status of legal cases, cases that have been resolved since December 2, 2005, and contract claims at the Resident Engineer level and above was presented.

6) Annual Report on Status of State-owned Dwellings. The status of the Department-owned buildings was presented, including information on the monthly rental fee, the fair rental amount, and vacancies.

7) January Financial Statement. Total federal aid revenue was \$26.6 million, or 13% below projections through January. Revenue from the Highway Distribution Account was \$1.2 million, or 1.1% less than anticipated. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, the federal program was less than spending projections by 5% and the state program was 16% less than projections.

Aviation fuel tax revenue through the end of January was 3% ahead of projections. Miscellaneous revenue was 57% ahead of forecast. Overall expenditures were less than last year.

In the Aircraft Operations Fund, the revenue was \$30,400 ahead of projections. Personnel expenditures were slightly higher than last year.

Request to Exceed Term Agreement. Staff requested approval to exceed the \$750,000 term agreement cap with a \$300,000 work task with Washington Group International (WGI). Negotiations are underway for the management of the Connecting Idaho – Grant Anticipation Revenue Vehicle (GARVEE) Program. This request is for tasks that are critical in meeting milestone deliverables for the start up activities required to organize and implement the Connecting Idaho – GARVEE Program. It includes assisting ITD staff with cost estimates, schedule, bonding amounts, cash flow analysis, and preparation of SEP-15 applications.

Due to the Joint Finance and Appropriations Committee's (JFAC) recent action on reducing the dollar amount for and number of projects in the Connecting Idaho Program, Member Miller questioned the need for a program manager at this time. Chief Engineer Hutchinson stated that WGI is doing various Connecting Idaho related work, such as analysis and providing information for the legislature. Director Ekern added that projects funded through GARVEE bonds are in addition to all of the projects included in the existing STIP. Part of the program manager's responsibilities are to work with the Districts to determine what work can be done in-house versus by consultants.

By Board consensus, the request to exceed term agreement was held until March 16. (See later minute entry.)

Board Items. Chairman Winder mentioned several legislative meetings he attended recently, with the focus of discussion on the GARVEE Program.

Member McHugh expressed concern with the underutilization of dynamic message signs. He suggested displaying highway safety messages on the signs. Other members also expressed support to display more messages.

Vice Chairman Combo made a motion to direct staff to report on utilization of dynamic message signs, including how other states utilize their signs, at next month's meeting. Member McHugh seconded the motion and it passed unopposed.

Department Activities. Director Ekern distributed information related to JFAC's earlier action on the Department's budget, specifically the Connecting Idaho Program, in preparation for an item scheduled later on the agenda. (See later minute entry.)

Director Ekern also provided information regarding compensation for his staff. He asked the

Board to review it and act on it later. (See later minute entry.)

Director Ekern reported that the Western Association of State Highway and Transportation Officials (WASHTO) provided memorials on behalf of Toby Stevens and Jim Onthank. The two District 2 employees were killed in the line of duty in March 2005. WASHTO presented two \$200 checks to honor Messrs. Stevens and Onthank.

Aeronautics Administrator (AA) Bob Martin said the Division of Aeronautics recently hosted a reception for the National Aircraft Owners and Pilots Association. He was pleased with the turnout at that event, including visits by Senator Mike Crapo and Congressman Butch Otter, which illustrate the Congressional Delegation's interest in and support of aviation. In response to Vice Chairman Combo's question, AA Martin replied that earlier Senator Crapo introduced legislation regarding backcountry airstrips. Congressman Otter is planning to introduce the legislation in the House soon. In summary, the legislation requires state approval before the federal government could restrict or close airstrips owned by a federal agency.

AA Martin summarized efforts on federal aviation reauthorization. The current bill expires in 2007. Some of the issues being addressed in the new bill include user fees and air space restrictions.

In conclusion, AA Martin reported on the recent annual Aviation Festival held in Boise. He was pleased with the turnout and believes the event was another success.

Chairman Winder thanked AA Martin for the update on the various aviation activities.

Assistant Chief Engineer – Operations (ACE-O) Greg Laragan presented a Preliminary Report to the 2006 Idaho Legislature on the 129,000 Pound Pilot Project. Although the first report is not due until January 2007, staff would like to ensure that an acceptable format is developed for the report. ACE-O Laragan summarized the 2003 legislation establishing a new, 10-year pilot project on a small number of Idaho state highways for the use of specially configured 129,000 pound gross axle weight trucks. Among other requirements, the bill required ITD to report to the Legislature on the impacts of the 129,000 pound trucks on safety, bridges and pavement every three years during the pilot project, starting in 2007. No guidelines were specified for the content and structure of the triennial reports.

The Board discussed the report. It suggested that staff include information from local public agencies on the impacts the pilot project is having on their respective roads and bridges.

Legislative Update. Budget, Policy and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided an update on legislative issues. ITD's legislative proposals related to personal

information on collision reports and driver training instruction permits are dead. The other proposals have either been signed into law or are proceeding well through the process. She noted that the super single tire legislation that the Board supported last month has been amended. Staff is in the process of reviewing those changes and their impacts. BPIRM Pipal also said the proposal to mandate 10% ethanol use in gasoline has been killed.

Chairman Winder thanked BPIRM Pipal for the update.

Annual Report on Audits. Internal Review Manager (IRM) Carri Rosti summarized the internal audits and reviews performed in 2005: Port of Entry cash controls, District administrative operations, and consultant services/contracts acquisition process. External audits or reviews were conducted on consultant agreements, consultant overhead rates, university intern agreements, and a public transportation sub-grantee. Special assignments included a portal services control assessment and participation on the American Association of State Highway and Transportation Officials (AASHTO) audit subcommittee and peer reviews. In conclusion, IRM Rosti reported on work planned in 2006, including reviewing the Division of Aeronautics, right-of-way procedures, construction change orders and claims, and the digital license plate costs, and researching an ethics policy.

Joint Action Plan on Public Transportation. Public Transportation Administrator (PTA) Larry Falkner summarized the efforts undertaken by Ada County Highway District, Community Planning Association of Southwest Idaho, Valley Regional Transit, and ITD to address public transportation issues in Ada, Boise, Canyon, Elmore, Gem, and Payette Counties. Each of the agencies' boards or commissions is being asked to recognize the importance of working cooperatively for the advancement of public transportation in the Treasure Valley region and the integration of public transportation into a multi-modal transportation system.

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

RES. NO.        WHEREAS, the Idaho Transportation Board directed Idaho Transportation Department staff on March 18,

ITB06-15        2005 to meet with Valley Regional Transit staff to identify issues of mutual concern and opportunities for improved coordination; and

WHEREAS, the Directors of Ada County Highway District (ACHD), Community Planning Association of Southwest Idaho (COMPASS), ITD, and Valley Regional Transit agreed to meet as a Directors' Forum to develop a goal statement and action plan to improve coordination and integration of public transportation into the overall transportation system; and

WHEREAS, the Directors and designees of each of the agencies met on August 8, October 3, and November 14, 2005 and February 6, 2006 to draft and finalize a goal statement and the Interagency Action Plan for Public Transportation; and

WHEREAS, the Boards of ACHD, COMPASS, ITD, and Valley Regional Transit recognize the importance of working cooperatively for the advancement of public transportation in the Treasure Valley region and the integration of public transportation into the overall transportation system.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board supports the goals and actions outlined in the interagency action plan on public transportation and directs staff to work cooperatively in the implementation of the plan; and

*BE IT FURTHER RESOLVED*, that the Board supports these types of interagency partnerships statewide to improve the coordination and integration of public transit into the overall transportation system.

Public Transportation Synthesis – Review of Planning and Policy Documents. PTA Falkner said the purpose of the Transit Plan Synthesis is to serve as a resource to help clarify the state's role in public transportation and set the framework for planning and implementation by ITD and the state's transit service providers. A report consisting of an overview of public transportation in Idaho, comments received from stakeholder interviews, a synthesis of contents from various policy and planning documents, and suggested next steps was prepared.

Laurie Hussey from Cambridge Systematics summarized the issues and challenges public transportation is facing in Idaho: resources are scarce, coordination is needed among providers, public perception of transit dependence, and density and geography tend not to support efficient provision of service. The next steps are to refine objectives, examine options for greater flexibility, conduct a workshop with the Board on the desired role of the state, hold a statewide public transportation summit, and develop a statewide public transportation plan.

Member Miller acknowledged ITD's challenges over the years with coordinating services. He also commented on the need to adequately publish information on available public transit services.

Delegation – Dan Schilling. Mr. Dan Schilling thanked the Board for its time. He summarized the Special Operations Warrior Foundation and said he would like to conduct a charity event for this organization. Additionally, he would like to attempt to break the world record of 133 BASE (building, antennae, span, and earth) jumps by completing 200 jumps in 24 hours from the Perrine Bridge in July 2006. To complete this goal, he would need a permit to park a crane on the

northbound lane of US-93 on the bridge. He emphasized the economic benefit to the Twin Falls area and also the importance of the Special Operations Warrior Foundation. Mr. Schilling also said he has collaborated with the Twin Falls Police Department, City Manager, and Chamber of Commerce. He said Police Chief Munn has agreed to provide traffic control and assistance with the lane closure.

Member Blick expressed concern that Board approval may be precedent setting. He believes more requests will be received. He asked District 4 Engineer Devin Rigby for his comments. DE Rigby said the lane closure would have significant traffic impacts. He acknowledged the second issue: that the land mark is becoming world-renowned and he anticipates receiving more requests to use the bridge. He said it may be timely to review the earlier direction on regulating activities on the bridge.

Mr. Schilling said the Department would be reimbursed for its costs. He also said he did extensive research on his proposal and believes the date, July 7, would be a low-volume traffic day, as it follows a major holiday weekend.

Member Blick asked if Jerome County officials were contacted, as the proposal impacts their jurisdiction also. Shawn Barigar, Twin Falls Chamber of Commerce President, said Mr. Schilling has been working with him, the City of Twin Falls, and the Twin Falls Police Department because this event would have the greatest impact on the City of Twin Falls. The chief of police has offered his assistance and believes the impact to traffic will be minimal.

In response to Vice Chairman Combo's question on a detour to US-93, DE Rigby said motorists would either have to use SH-50 to the east or the local Clear Lake Grade to the west. Both are a considerable distance from US-93. He elaborated on the Department's procedures when it needs to close travel lanes on the bridge for maintenance or other work. It does not close lanes during peak traffic times for maintenance or inspections. Also, staff has the flexibility to open the lane(s) if traffic is greatly impacted and then re-close the lane(s) and resume work later.

Mr. Schilling said he is flexible with his schedule. If traffic becomes backed up, he could remove the crane from the bridge, resuming normal traffic flow for several hours, and then close one lane again later to continue his activities. He expressed a desire to accommodate the Board's concerns and adjust his proposal.

Member McHugh made a motion to deny Mr. Shilling's request to park a crane on the northbound lane of the US-93 Perrine Bridge on July 7, 2006 beginning at 8 PM for 24 hours. Member Miller seconded the motion.

Member McClure suggested establishing a policy to provide clear direction to DE Rigby on these

issues. Vice Chairman Combo commented that there is no formal process to address these requests. Member Blick added that these types of requests will become more frequent.

After a roll call vote of 3-3, with Members Blick, McClure, and Sweeney voting no, Chairman Winder also voted no, noting that the motion was strictly on Mr. Schilling's request. The motion failed 3-4.

Chairman Winder asked for Board consensus to ask Director Ekern, DAG Vogt, and DE Rigby to work with Mr. Schilling to see if an acceptable agreement could be reached. There were no objections.

Mr. Schilling thanked the Board for its time.

Executive Session Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code.

Member Sweeney made a motion to meet in executive session at 12:15 PM to discuss personnel and legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on litigation issues related to the US-2, Dover Bridge project, the US-95, Mica Bay project, and access issues on the US-20/26 corridor.

The discussion on the personnel issue related to the discipline of an employee.

The Board came out of executive session at 1:05 PM. No decisions were made.

Presentation – Community Transportation Enhancement (CTE) Program. Dave Stephenson, Project Coordinator, Department of Lands, reported on the CTE Program. This Program was established within the federal Enhancement Program to enhance transportation corridors in communities through landscaping. He mentioned some projects that have been completed in the Program and projects that will be done this year. Mr. Stephenson emphasized the continued popularity of the Program and appreciates ITD's partnership on it.

Chairman Winder thanked Mr. Stephenson for the update on the CTE Program and for his continued efforts on this important project.

Transportation Enhancement Program. Intermodal Planning Manager Pat Raino and Transportation Enhancement Coordinator Phil Choate provided a summary of the Enhancement Program since its inception in the 1992 Intermodal Surface Transportation Efficiency Act. The Board has funded 176 projects worth a total of approximately \$75 million: \$57 million in federal aid and \$25 million in state and local investment. An overview of projects was provided. Noted



trends are the level of funding is declining, there is strong demand for projects, and project completion takes longer than three years. Staff believes improvements could be made in project planning and preparation, cost sharing and risk management, aligning program priorities with ITD and other statewide priorities, and increased emphasis on program outcomes. It plans to explore these issues with the Enhancement Advisory Committee and bring a recommendation to the Board later this year.

Chairman Winder thanked staff for the informative presentation.

Rest Area Contract Options. Cathy Ford, Roadside Program Administrator, summarized the maintenance and operations activities of the 21 safety rest areas. Most Districts use contract services for maintenance of the facilities. Three maintenance alternatives were explored: no action, consolidate and standardize contracts, and a statewide contract. Staff recommends consolidating and standardizing contracts because that method provides the ability to consolidate and standardize current contracts, provides flexibility to manage the contracts at a District level, standardizes contract language, and establishes a statewide standard to measure performance.

Member Miller commended Ms. Ford for this proposal. He believes it is an improvement and will resolve some of the maintenance concerns.

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

RES. NO.        WHEREAS, the Idaho Transportation Board asked staff to research options and  
ITB06-16        present recommendations for rest area maintenance; and

WHEREAS, staff has researched the issues and has come to the conclusion that rest area maintenance should be flexible to separate the building maintenance from the grounds maintenance and contract individual rest areas or a district wide contract; and

WHEREAS, staff feels the primary goal is to achieve consistent performance and quality statewide; and

WHEREAS, the Board has stated rest area maintenance will be a statewide priority.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommendations of the Maintenance Section that rest area maintenance will be contracted using one standard maintenance specification that allows flexibility to contract separate building maintenance and grounds maintenance, contract individual rest areas, or district wide contracts.

Annual Report on Equal Employment Opportunities (EEO) – External Programs. EEO Manager Karen Sparkman reported on the Department's activities in FY05 related to Title VI, including translating program materials into Spanish and adding a Spanish-speaking hearing officer. To address Americans with Disabilities Act (ADA) on project design compliance, staff participated on a joint FHWA/ITD review team to determine compliance on selected roadway projects, and it hosted training for ITD, ACHD, and the metropolitan planning organizations on designing projects for ADA standards. Efforts to address EEO contract compliance and Disadvantaged Business Enterprise (DBE) activities were also summarized. At the end of FY05, there were 203 DBE firms.

EEOM Sparkman also provided an update on the disparity study. Although no goals are being included on projects, contractors are being encouraged to continue to use DBEs to help ITD meet its annual goal. The disparity study will be programmed in the draft FY07-11 STIP. Staff anticipates publishing the request for proposal in spring and hiring a consultant to begin work in October 2006.

Annual Report on Human Resources. Human Resources Development Manager (HRDM) Marcia Aitken provided historical information on the labor force and projections through 2014 as the population ages. The changing expectations for departments of transportation are changing mobility needs, economic and political trends, environmental factors, technological innovations, programmatic changes, fluctuations in funding, and human resources challenges. To address these expectations, ITD is providing a resident engineer academy, reviewing SAFETEA-LU to determine if there are other and new ways to apply the funds to a greater spectrum of training, focusing training efforts in this area, linking development and EEO to career outreach efforts, and participating in AASHTO human resources research. In summary, HRDM Aitken said the ultimate goal is to ensure that the right number of people with the right skills, experiences, and competencies are in the right place at the right time.

Annual Report on Fair Employment Practices. HRDM Aitken summarized ITD's fair employment practices in FY05. There were 9 complaints related to gender, religion, disability, age, and race. This compares with 8 in FY04 and 7 in FY03. Additionally, two accommodations were made to comply with the Americans with Disabilities Act.

Chairman Winder thanked Ms. Aitken for the update on the Human Resources issues.

Annual Report on Safety Program. Cheryl Rost, Safety and Risk Management Manager, said the Risk Management and Safety team develops and initiates the overall loss control program for the Department. Its objectives include preventing employee injuries and equipment damage; identifying hazardous work sites and practices; thorough investigation of tort claims; informing management of losses and potential losses; and providing supervisors with consultative services.

In FY05, there were 809 lost work days due to work-related incidents. This compares to 945 in FY04. The number of injury accidents in FY05 and FY04 was 105, while vehicle accidents totaled 133 in FY05 and 143 in FY04.

Chairman Winder thanked Ms. Rost for the report and for her efforts in the safety arena.

Wellness Program Annual Report. Statewide Resource Coordinator Pauline Davis provided an overview on the Wellness Program's activities during calendar year 2005. One of the highlights was a record-setting participation rate for the spring fitness challenge with 617 employees accomplishing the exercise goal with a Lewis and Clark theme. This was 111 more people than ever before successfully completing the challenge. District 3 won the Districts' Best Team Participation award with 95 employees or 35% of staff reaching the goal. Other accomplishments of the Program included employee run/walk opportunities, wellness education, and the establishment of a Wellness Program web site.

Chairman Winder thanked Ms. Davis for the update and challenged the Board members to participate in the annual spring fitness challenge.

Old/New Business. Public Affairs Manager Jeff Stratten reported on the plans to conduct Forum on Transportation Investment public meetings in conjunction with the District tours.

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

RES. NO. WHEREAS, the Idaho Transportation Board and the Idaho Transportation Department Director recognize the

ITB06-17 Executive staff of the Department as experienced and valuable resources; and

WHEREAS, the Department has invested significant experience, training, and dollars in the executive staff; and

WHEREAS, the executive staff salaries are misaligned when compared to comparable classified positions in regard to accountability and decision making.

*NOW THEREFORE BE IT RESOLVED*, that the Board set aside \$125,000 for the Board Chairman and Vice Chairman to work with the Director to allocate for executive staff compensation. Dollars shall be utilized in accordance with the ITD pay plan in providing permanent merit increases and for targeted pay actions for misaligned positions.

Vice Chairman Combo revisited the issue of special activities on the Perrine Bridge. Currently, there are no established Board procedures to address these requests, only an administrative policy for special events on highways with an appeal process to the Chief Engineer. He asked DAG Vogt to review earlier legal opinions and guidance on this issue and, if DAG Vogt deems appropriate, to revisit this topic with the Board at a future meeting.

An agenda item related to digital license plates had been submitted late and then pulled from the agenda. Vice Chairman Combo expressed concern that several items were submitted late. He specifically expressed concern with the digital license plate proposal that requested approval to seek legislation in 2007. He suggested that staff take another look at that proposal and ensure appropriate personnel are involved in those discussions, such as Internal Review and the budget office.

Member Miller questioned other changes that may be appropriate to license plates, particularly if there is concern that the state is running out of numbers and to remove county designations. He also had questions on the specific item that was pulled, including who would own the digital license plate equipment.

Director Ekern said the agenda item was a follow-up to last month's presentation from 3M and Correctional Industries. There is legislative support for this transition. He received a letter from Correctional Industries shortly before the meeting, thus the delay in presenting it to the Board.

WHEREUPON the meeting recessed at 4:30 PM.

March 16, 2006

The Board reconvened at 8:15 AM on Thursday, March 16, 2006, at the Transportation Department. All members were present.

Discussion: Division of Administration Board Reports. Administrator, Division of Administration Susan Simmons and staff requested guidance on the various reports it submits to the Board. The Board provided specific feedback on Administration's reports, including a desire to receive the annual report on the status of state-owned buildings, changing the quarterly returned check report to an annual report, modifying the monthly financial statement, and presenting an annual report on performance measures on contracts and procurements.

In general, the Board expressed support for concise reports or executive summaries and for staff to highlight trends and challenges. Chairman Winder also suggested that Director Ekern and DAG Vogt provide guidance to staff on the Board's responsibilities. He wants to ensure the

Board receives pertinent information to meet its requirements.

Employee Service Awards. The Board participated in the Employee Service Awards. Chairman Winder provided remarks. Greg Munden, District 1, was recognized as the Maintenance Person of the Year. The Safety Persons of the Year award was presented to the District 6 Safety and Tort Committee.

New Business. Deputy Director Charles Rountree (DDIR) presented a letter to the Board from the Sawtooth Mountain Mamas. The group is requesting financial assistance to landscape SH-75 and SH-21, at the confluence of three scenic byways.

Discussion on JFAC Action. DDIR Rountree said staff reviewed several scenarios in response to JFAC's motion approving \$200 million for GARVEE bonding with the specific projects and dollar amounts identified. Although the Board considered Department action on the current Connecting Idaho Program and STIP premature, it expressed concern with moving projects back and forth between the two programs.

Request to Exceed Term Agreements, Revisited. CE Hutchinson elaborated on the term agreement process, whereby a consultant is pre-approved to perform various tasks not to exceed \$750,000 over a two-year period. WGI has already performed approximately \$500,000 under the term agreement. Staff is negotiating additional work for \$300,000, so Board approval is needed to exceed the \$750,000 cap.

In response to Member Blick's question on what work would be performed under the new agreement, CE Hutchinson said more analysis on the Connecting Idaho Program, providing information to the legislature, and reviewing the best way to expend ITD's resources.

The Board expressed concern with approving funds for the Connecting Idaho Program before legislation is passed. Chairman Winder asked if the new work could be reduced so the overall amount does not exceed \$750,000. Director Ekern said part of this work is to conduct a workshop on SEP-15 next month, but he believes the scope of work could be reduced. He expressed concern with delaying this item because the construction season is approaching, so there is a tight time schedule.

Member Miller made a motion to delay action on the request to exceed term agreement until the legislature passes and the Governor signs the Connecting Idaho legislation. Member Blick seconded the motion and it passed unopposed.

Executive Session Personnel Issues, Section 67-2345(1), Idaho Code. Member Sweeney made a motion to meet in executive session at 12:10 PM to discuss a personnel issue. Vice Chairman

Combo seconded the motion and it passed 6-0 by individual roll call vote.

The Board came out of executive session at 12:55 PM. No decisions were made.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 12:55 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
April 20, 2006  
Lewiston, Idaho

REGULAR MEETING AND DISTRICT TWO TOUR  
OF THE IDAHO TRANSPORTATION BOARD

April 19-20, 2006

The Idaho Transportation Board met at 8:00 AM, on Wednesday, April 19, 2006, in Lewiston, Idaho. The following principals were present:

Charles L. Winder, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General

District 2 Tour. The Board departed Lewiston south on US-95. At the US-95 and US-95 Business intersection near Winchester, it stopped at a Road Weather Information System (RWIS) site. Staff provided an overview on RWIS, which provides real-time weather data, pavement temperature, and surface conditions. The information is helpful to maintenance personnel and is also instrumental in managing the Department's Traveler Services System.

The group traveled US-95 Business south to the location of the proposed Camas Prairie rest area at the US-95 and US-95 Business intersection near Winchester. Staff summarized the plans for the rest area. While the Board traveled US-95 north to Moscow, District personnel provided information on various projects planned and under construction in the corridor. The Board returned to Lewiston via US-95 south after lunch, where the tour concluded.

Public Meeting: Forum on Transportation Investment (FTI). FTI Chairman Jim Kempton and Consultant Dwight Bower summarized the purpose, activities, and findings and recommendations of the FTI. A question and answer session was held and an opportunity for public testimony.

Chairman Winder thanked the participants for their attendance and testimony. He said these statewide meetings will be a crucial step in developing funding proposals to build and maintain the state's transportation infrastructure.

WHEREUPON the tour and meeting recessed at 3:45 PM.

April 20, 2006

The Board reconvened at 8:00 AM on Thursday, April 20, 2006, at the Idaho Transportation Department District 2 Office in Lewiston, Idaho. All members were present.

Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on March 15-16, 2006 as submitted. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

May 17-18, 2006 – District 4

June 20-22, 2006 – District 6

July 19-20, 2006 – District 1

Consent Calendar. Member Blick made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the

ITB06-18 community and regional planning opportunities; the FY05 federal Scenic Byway discretionary projects; the delay of 7<sup>th</sup> Avenue North, Payette, from FY06 to FY07, District 3; the addition of West 19<sup>th</sup> Street Railroad Crossing, Idaho Falls, District 6, to FY06; adjustments to the Local Bridge and STP-Local Rural Programs; the request for additional consultant services, public meeting and public hearing, US-95, District 2; the request to exceed term agreement, statewide sign upgrade; and the request to exceed term agreement; and has received and reviewed the new and supplemental professional agreements report; the spring update of CARS 511/web; and the February financial statement analysis.

1) Community and Regional Planning Opportunities. Earlier, Dr. Michael Blankenship requested ITD's participation in a certified Masters of Community and Regional Planning Degree program and development of a state of the region report that provides indicators in essential areas such as the economy, transportation, and education. Staff requests approval to enter into a cooperative agreement with Boise State University and provide \$10,000 for FY06 and FY07 from Board Unallocated funds.

2) FY05 Federal Scenic Byway Discretionary Projects. Idaho was successful in obtaining FY05 Federal Scenic Byway Discretionary funding for seven projects:

|  |           |
|--|-----------|
| Payette River National Scenic Byway (NSB) Seed | \$ 25,000 |
| Pend Oreille NSB Seed                          | \$ 25,000 |



|  |           |
|--|-----------|
| Northwest Passage NSB Seed             | \$ 25,000 |
| Idaho Byways Promotion                 | \$ 92,392 |
| Northwest Passage Auto Tour CD         | \$ 22,250 |
| Stanley Community Building Renovation  | \$138,232 |
| Western Heritage Historic Byway Safety | \$640,000 |

Staff requests approval to add the projects to the Statewide Transportation Improvement Program.

3) Delay 7<sup>th</sup> Avenue North, Payette, Key #8799, District 3, from FY06 to FY07 of the STP-Local Urban Program. At the recent Urban Balancing Committee meeting, the Local Highway Technical Assistance Council indicated that environmental delays were preventing the 7<sup>th</sup> Avenue North, Payette reconstruction project from being delivered on schedule. The City of Payette requests that construction of the project be delayed from FY06 to FY07.

4) Addition of West 19<sup>th</sup> Street Railroad Crossing, Idaho Falls, Key #5724, District 6, to FY06 of the Safety Program. This project was scheduled for delivery in FY05 but was not obligated by the end of the year, so was removed from the Program. This signalization and resurfacing project is of high priority to the City of Idaho Falls and District 6 from a safety perspective. All work on the project will be completed by the City and Union Pacific Railroad. The utility agreement has been signed and the environmental document is in place. The District has offset the required \$270,000 of FY06 funds through construction savings on another project and recommends adding West 19<sup>th</sup> Street Railroad Crossing, Idaho Falls to FY06 of the Safety Program.

5) Adjustments to the Local Bridge and STP-Local Rural Programs. The Local Highway Technical Assistance Council requests the following changes to the Program and staff concurs: delay the \$400,000 Joseph Street Bridge, Moscow, key #7783 project from FY06 to FY07 of the Local Bridge Program; delay the \$352,000 Deep Creek Bridge #2, Boundary County, key #8773 project from FY06 to FY07 of the Local Bridge Program; advance the \$453,000 Deep Creek Bridge #4, Boundary County, key #8772 project from FY07 to FY06 of the Local Bridge Program; and delay the \$1,280,000 reconstruction of South State Street, South City Limits to Junction US-91, Preston, key #8694 project from FY06 to FY07 of the STP-Local Rural Program.

6) Request for Additional Consultant Services, Public Meeting and Public Hearing, US-95, Key #9294, District 2. The US-95, Thorncreek Road to Moscow project is a major reconstruction project, upgrading the highway to four lanes. In 2004, RBC, Inc. was hired to develop a Public Involvement Plan (PIP) and provide coordination for the District's public involvement outreach under a term agreement. Interest in the process has been extremely high with the public, resulting in more public meetings, alignment workshops, monthly newsletters and updates, web site updates, and brochures than was originally planned. Staff anticipates that final costs for completing the PIP will exceed the current term agreement ceiling for an individual contract by \$110,000. Staff requests approval to exceed the term agreement limit from \$250,000 to \$360,000.

7) Request to Exceed Term Agreement, Statewide Sign Upgrades, Key #9700. Washington Group International (WGI) was requested to scope and negotiate work under the term agreement for three safety projects: Statewide Durable Pavement Markings, Statewide Rumble Strips, and Statewide Sign Upgrades. When these three term agreements were being finalized, it was discovered that the term agreement limit would be exceeded for the Statewide Sign Upgrades project, which was negotiated for \$230,000. Utilizing WGI is advantageous because the projects involve several similar activities and due to the economies of similar work activities and reduced overall development costs for these projects. Staff requests a \$230,000 increase for the term agreement for WGI.

8) Request to Exceed Agreement. Iteris, contracted originally as Meyer, Mohaddes Associates, is currently performing work under the term agreement for three different Divisions. The work falls under the headings Traveler Services, Commercial Vehicle Operations, and Transit. All three Divisions have identified additional work needed to either expand on the previous work or move forward with new work. The expanded Commercial Vehicle Information Systems and Networks (CVISN) implementation has caused that task to exceed the \$250,000 individual project limit. The Board previously approved increasing the task amount to \$517,500 and Commercial Vehicle Services is now requesting \$79,500 to complete the project. Also, the sum of the additional work tasks for all the projects will cause the total to exceed the \$750,000 term agreement limit for the FY05-07 period. Staff requests a \$79,500 increase to the CVISN task amount for a total of \$597,000 for the task and an overall increase of \$350,000 for the term agreement for Iteris to a total of \$1,100,000.

9) New and Supplemental Professional Agreements Report. From February 27 through March 31, 2006, the Consultant Administration Unit processed \$4,795,951 in professional, supplemental, and term agreements.

10) Spring Update of CARS 511/Web. The Traveler Services project focused on developing a system that integrates information from ITD to the public via telephone and internet access. In December the web site was accessed 846,015 times. Usage was similar in January, but dropped considerably in the warmer months of February and March. Staff recently transitioned from winter driving conditions to construction and commercial vehicle information. Training has been provided to District personnel. The project coordination team continues to meet twice monthly and plays an active role in system development.

11) February Financial Statement. Total federal aid revenue was \$36.3 million, or 16% below projections through February. Revenue from the Highway Distribution Account was \$2.3 million, or 1.9% less than anticipated. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, the federal program was less than spending

projections by 6% and the state program was 20% less than projections.

Aviation fuel tax revenue through the end of February was 2% ahead of projections. Miscellaneous revenue was 22% ahead of forecast. Overall expenditures were less than estimated due to federal grant awards not occurring. In the Aircraft Operations Fund, the revenue was 6% ahead of projections.

Contract Award Information. Key #8769 and #9015 – I-86 and I-15, FY06 District 5 and 6 Pavement Striping. Low bidder: Promark, Inc. - \$410,848.

Key #6645 – SH-75, Basin Creek Bridge, Custer County, District 4. Low bidder: Cannon Builders Inc. - \$1,081,704.

Key #8652 – I-90, District 1 pavement Striping. Low bidder: Specialized Pavement Marking, Inc. - \$327,334.

Key #8841 – US-93, Sportsman Access Road to Milepost 122, District 6. Low bidder: H-K Contractors, Inc. - \$1,799,224.

Member McHugh questioned the earlier rejection of the low bid on key #8068, I-90, Wolf Lodge East, Kootenai County, District 1. Chief Engineer Steve Hutchinson provided information on the rejection of the bid and said the project is being readvertised.

Member McHugh made a motion to accept the contract award information. Member Miller seconded the motion and it passed unopposed.

Board Items. Chairman Winder said his activities since the last Board meeting have focused on the Connecting Idaho – Grant Anticipation Revenue Vehicle (GARVEE) Program legislation. He also mentioned the receipt of a letter from Ralph Sletager, Waterfront Property Management, L.L.C. regarding the US-95, Sand Creek Byway project in District 1.

Member Sweeney expressed concern with the number of consultants utilized by the Department and the apparent direction to increase the utilization rate. He acknowledged the need to use some consultants and the difficulty to add full-time equivalent positions to the Department. He requested a future discussion on this topic. Chairman Winder reiterated the need to run the Department as efficiently as possible. As part of the discussion on consultant usage, Member Blick requested reviewing the issue of incorporating deadlines in consultant agreements and methods to adhere to and enforce the specified schedule. Additionally, Chairman Winder suggested reviewing the utilization of smaller firms.

Department Activities. Director Ekern reported on a recent conference conducted by the Interagency Working Group. A number of break-out sessions were held, including one on the FTI's findings and recommendations. The next step will be to develop recommendations on public transportation for the Board's consideration.

Director Ekern said he and CE Hutchinson met with Federal Highway Administration Acting Administrator Rick Capka and FHWA Division Administrator Steve Moreno last week. Director Ekern believes it was a productive session.

Director Ekern summarized a recent American Association of State Highway and Transportation Officials Subcommittee on Security meeting, which he chaired. An extensive outreach campaign will be launched soon. Changes for designing bridges are also underway.

In conclusion, Director Ekern said staff will be providing the Board with budget information soon in preparation for the June workshop on the STIP and budget.

CE Hutchinson announced the appointment of Karen Hiatt as the Assistant District 6 Engineer. Ms. Hiatt was promoted from the Project Development Engineer position in District 6.

CE Hutchinson summarized the flooding concerns throughout the state. Flood warnings have been issued in several Districts. Slides are also a concern in several areas.

CE Hutchinson also provided an update on the wage survey staff conducted with the Department of Labor for highway work. Staff is working with the Associated General Contractors on adjustments. He acknowledged Design Area Engineer Gary Moles for his efforts. Vice Chairman Combo inquired as to how the crafts are being kept informed. CE Hutchinson responded "through the Department of Labor."

Deputy Director (DDIR) Charles Rountree summarized the proposed procedures for supporting local federal-aid discretionary project application requests. The initial contact for local agencies seeking ITD support for Congressional project applications should be with the appropriate District office. The District Engineer will review the application and ensure the applicant understands the requirements and procedures. The District Engineer will submit a recommendation to the Division of Planning. The Transportation Planning Administrator will review the application and District's recommendation and then make a recommendation to the Director to support or not support the local project application. (See later minute entry.)

Assistant Chief Engineer – Operations (ACE-O) Greg Laran provided an update on the safety initiative. Work is continuing on recommendations from the Safety Summit held in October, including coordination with the Governor's Office on future efforts. Work on the action plan is

underway and workshops are planned in the near future.

Budget, Policy and Intergovernmental Relations Manager Julie Pipal provided an update on legislative issues. All of the Department's legislation was signed into law except the proposals related to personal information on collision reports and driver training instruction permits. Changes to the rules governing over-legal permit responsibility and travel restrictions and governing the sale of no longer useful or useable real property were rejected. All other rule changes were approved.

Technology Transfer (T2) Center. T2 Center Director Doug Moore provided an update on the T2 Center's activities. He emphasized the importance of the partnerships that have been established, including with ITD. He summarized the training provided in 2005. Special projects that were completed included asset management, developing an interactive snow maintenance CD, rural road best management practices, and the American Trucking Association winter deicing report. Projects planned in 2006 include highway safety audits and safety circuit rider for Idaho. He also elaborated on the Road Scholar and Road Master Program. This Program is a way for local road professionals to be recognized for successfully completing a series of training courses. The program curriculum is designed to provide participants with the fundamentals of safety, management, and advanced technologies, as well as exposure to a wide variety of other topics relevant to the transportation field

Presentation of Certificate for Completing Road Scholar Program. T2 Center Director Moore was pleased to recognize Mike Pryor as the first ITD employee to complete the Road Scholar Program. Mr. Pryor is a utility craftsman in the Division of Aeronautics.

Chairman Winder thanked T2 Center Director Moore for the update and congratulated Mr. Pryor for completing the Road Scholar Program.

Adopt-A-Highway. Member Sweeney thanked the Holy Trinity Episcopal Church of Grangeville for its participation in the Adopt-A-Highway Program. He said the Board appreciates the group's valuable service to the state. The group adopted US-95 from milepost 239 to 241 in 1999.

Procedures for Supporting Local Federal-aid Discretionary Project Application Requests, Revisited. Vice Chairman Combo believes the procedures outlined earlier by DDIR Rountree to address local officials' requests to support discretionary funding applications are appropriate.

Vice Chairman Combo made a motion to approve the draft memo outlining the procedures for supporting local federal-aid discretionary project application requests. Member McClure seconded the motion and it passed unopposed.

GARVEE Bonding Authorization. Director Ekern provided background and historical information on the Connecting Idaho Program. He provided a timeline of various activities and commended staff for its efforts on this important program.

Chairman Winder welcomed Representative John Rusche to the meeting.

GARVEE Program Administrator (GPA) Nestor Fernandez stated that a number of documents will need to be approved as the GARVEE bonding process continues. Gerald Hunter, Idaho Housing and Finance Association (IHFA), and Controller Dave Tolman summarized the various documents and agreements that need to be in place. They also elaborated on the Series 2006 bonds, including the various costs related to the bonds, the bond ratings, and the sale process.

Consultant Dave Butzier, Program Manager, provided an update on the six projects approved in the legislation. A workshop with ITD staff will be conducted in the beginning of May to review the schedule and determine if projects could be accelerated.

Although Member Blick does not disagree with the legislation, he expressed concern with the legislature identifying the projects to fund. He believes selecting the projects should be a Board decision.

Chairman Winder commented that he was involved in the GARVEE legislation negotiations. Staff provided documents and information to assist with the legislation. He emphasized that the Board has the ultimate authority to spend the money. It also has the authority to move dollars around as needed.

Member Sweeney said he has some of the same concerns that Member Blick mentioned. The legislature could change the initial list of 13 corridors that were identified for GARVEE funding. Member Blick also expressed concern that if the legislature does not approve GARVEE funding in the future, it may be difficult to complete projects that were started with GARVEE funding.

Member McClure made a motion, seconded by Member Miller, and passed unopposed by individual roll call vote, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department strives to make available to the citizens of Idaho

ITB06-19 the finest transportation system via new construction projects and management of statewide assets; and

WHEREAS, the ITD and the Idaho Transportation Board are always seeking innovative and new financial tools to improve the transportation network for Idaho such as the 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 (the "Act"), 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 Board; and

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

WHEREAS, issuing such bonds promotes the purpose of the GARVEE Program; is in the public interest; serves a public purpose; increases commerce; promotes the health, welfare, and safety of the people of the state of Idaho; and constitutes a proper exercise of the purpose set forth in the Act; and

WHEREAS, the legislation has passed and the Governor has signed House Bill 854 GARVEE Bonding authorization, which legislation includes an emergency clause making it effective upon signature of the Governor, which was on April 14, 2006, and IHFA intends to issue the bonds, Federal Highway Trust Fund Series, in one or more series during the next 12 months in an amount not to exceed \$200,000,000 in order to provide funds to finance the GARVEE Program and this resolution shall serve as evidence of the Board's intention to proceed with issue of bonds up to the amount stated; and

WHEREAS, there will be a Preliminary Official Statement prepared 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 will need to be authorized; and

WHEREAS, other bonding documents will also need 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 bonds in one or more series, in an aggregate principal amount not to exceed \$200,000,000, are hereby authorized to be issued pursuant hereto; provided that: (a) the ITD and the Board have entered into the Master

Financial Agreement and a supplement thereto relating to the bonds; (b) the Idaho legislature has approved the Board's request for bonding authority under Section 40-315(4) Idaho Code, as amended; and (c) the ITD has provided to the IHFA all of the certificates, documents, and information required under Idaho Code Section 67-6210(k).

2. the Chairman and/or the Director is hereby authorized and directed, for and in the name and on behalf of the Board 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.

|   |                                    |
|---|------------------------------------|
| Supplemental to Master<br>Financing Agreement | Chairman of the Board and Director |
| Final Official Statement                      | Director                           |
| Master Trust Indenture                        | Director                           |
| Series Trust Indenture                        | Director                           |
| Bond Purchase Agreement                       | Director                           |

Request to Exceed Term Agreement. GPA Fernandez requested approval to exceed the \$750,000 term agreement cap for both Washington Group International (WGI) and CH2M Hill. The Department has negotiated a \$1,903,200 limited authorization work task agreement (\$979,500 with WGI and \$923,700 with CH2M Hill) to provide a mechanism for early performance on behalf of the Connecting Idaho Partners. The purpose of this work task agreement is to perform work for certain critical tasks in meeting milestone deliverables for the start-up activities required to organize and implement the Connecting Idaho – GARVEE Program. It includes assistance with cost estimate, schedule, bonding amounts, cash flow analysis, preparation of SEP-15 applications, and alignment workshop.

GPA Fernandez said six work task agreements have been executed with WGI to date for a total of \$684,500. CH2M Hill's term agreement has four work tasks executed to date in the amount of \$245,410. The requested term agreements will exceed the \$750,000 two-year term limit for both consultants.

Vice Chairman Combo believes the additional tasks should be included in the program manager contract that is currently being negotiated. Chairman Winder stated that the request is for work that has already been completed, including extensive efforts related to the GARVEE legislation.



He asked about the status of the program manager contract negotiations.

GPA Fernandez believes the negotiations are proceeding well. Staff anticipates having an agreement by the middle of May. Director Ekern added that the intent was to have the contract ready for Board approval at next month's meeting; however, if the Board desires incorporating the requested work task agreement into the overall program manager contract, that will delay finalizing the contract for Board approval.

Member McClure made a motion, seconded by Member McHugh, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department seeks new methods to improve the  
ITB06-20 transportation network in Idaho; and

WHEREAS, the Connecting Idaho projects will expand and improve the transportation infrastructure and will increase commerce and public mobility for the state of Idaho; and

WHEREAS, the Department sought assistance from experienced consultants to act as Connecting Idaho - GARVEE Program Manager; and

WHEREAS, the Idaho Transportation Board has selected Washington Group International and CH2M Hill as the Connecting Idaho – GARVEE Program Manager; and

WHEREAS, the Connecting Idaho-GARVEE projects are shown in the current Statewide Transportation Improvement Program and are of regional and statewide importance to the traveling public; and

WHEREAS, special circumstances surrounding the GARVEE Program required the Department to negotiate a limited authorization for early performance on certain critical tasks; and

WHEREAS, Board Policy B-06-08 requires prior approval from the Board to exceed the term agreement limit of \$750,000.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves to increase Washington Group International's and CH2M Hill's term agreement up to \$1,500,000 each and authorizes staff to proceed with the \$1,903,200 work task agreements for the performance of critical tasks.

Member Miller expressed concern with approving increasing the term agreement and proceeding with the work tasks. CE Hutchinson reviewed the work tasks that have been completed to date, which resulted in the total work tasks agreement close to the \$750,000 cap. None was for the GARVEE Program.

Mr. Moreno summarized the GARVEE program manager process: if contract negotiations with WGI/CH2M Hill are not successful, negotiations could proceed with the second proposer. He said ITD requested FHWA approval to fund work on the GARVEE Program through the GARVEE program manager project using GARVEE funding. Because there was no signed GARVEE program manager contract, FHWA refused the initial ITD request for funding this work. FHWA concurred with a subsequent request to fund the Connecting Idaho-related work using a term contract.

On a roll call vote, the motion tied 3-3 with Vice Chairman Combo and Members Sweeney and Miller opposing. Chairman Winder voted in favor of the motion; thus it passed 4-3.

Electronic Bidding. Gary Moles, Roadway Design Area Engineer, elaborated on the efforts underway to utilize technology to enhance the bidding process. An electronic bidding process will be implemented to provide more convenience and improve accuracy to the bidding process. Funding has been secured and Idaho Code revised to allow this bidding process. Mr. Moles said the software should be installed in June followed by training and a testing period. Staff anticipates implementing electronic bidding by January 2007.

In response to Vice Chairman Combo's question on training contractors, including out-of-state companies, Mr. Moles responded that the AGC will be involved in training. He added that once a contractor subscribes to the service, it can access all states' sites.

Chairman Winder thanked Mr. Moles for the information and his efforts on this effort.

Executive Session Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code.

Member Sweeney made a motion to meet in executive session at 12 noon to discuss personnel and legal issues. Vice Chairman Combo seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on litigation issues related to access near I-84 and SH-55; access issues on Coeur d'Alene Lake Drive; a condemnation case on the US-93, Twin Falls alternate route project; and the SH-87, Henrys Lake Fish Passage project.

A personnel issue was also discussed.

The Board came out of executive session at 1:20 PM. No decisions were made.

Contract Awards. CE Hutchinson said the low bid on DPI-NH-0191(106), key #8995 – US-89, Home Canyon to East of Narrows, Bear Lake County, District 5, was more than ten percent over the engineer's estimate, requiring justification. The sources for the engineer's estimate were the Average Unit Price Report and recent projects awarded within the District. The items of major difference between the engineer's estimate and the apparent low bid were S501-17A, MSE Wall and S908-05A, Erosion/Sediment Control Surface Blanket. MSE Walls at the height specified in the project have not been used in the District, so costs were compared to other MSE walls constructed within the state. Retaining walls for the project may not be constructed until 2007 and bidders' estimates were higher than staff anticipated due to the increased cost of steel and future uncertainty. Costs for the Erosion Blanket item were obtained from the Wyoming Department of Transportation on the product being used on its US-89, Hoback Canyon project, but staff is uncertain why the low bid's price was inflated over those for the Wyoming project. Both items are specialty items and the District does not believe it had a good estimate of the costs. Staff does not believe a savings would be realized if the project is readvertised. Additionally, because the project is a short length and no significant revisions could be made to the plans that would affect the outcome of the bids received, the District recommends awarding the project.

Member Blick made a motion to award the contract on key #8995 to the low bidder: W W Clyde & Company, Springville, Utah - \$9,501,375.82. Member Miller seconded the motion and it passed unopposed.

The low bid on STP-5110(145), key #8708 – US-95, Long Bridge Pedestrian/Bike Underpass, Bonner County, District 1, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the engineer's estimate was compiled using the Average Unit Price Report plus past project unit prices and industry quotes for SP items. The difference in the Mobilization item may have been due to specialized equipment needed in such a restricted work area. Another item, Turbidity Curtain, may have been underestimated; conversely price difference could be attributed to ownership issues. The other item of major difference was Concrete Fence. The limited access to the area under the south end of the Long Bridge makes this project quite labor intensive and restrictive as to the type of equipment that can be used, which may not have been fully realized by the District and the consultant when developing the engineer's estimate. There does not appear to be any errors or oversights in the estimates or quantities beyond the concrete fence item; nor does there seem to be any value in readvertising the project as it is not likely that there would be a significant cost savings. This project is essential to the District, and it recommends awarding the contract.

Member Miller made a motion to award the contract on key #8708 to the low bidder: Crea Construction, Inc., Lewiston, Idaho - \$317,585.75. Member McHugh seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on A009(940), key #9940 – I-15B, US-20, US-20B, and US-26, FY06 Durable Pavement Markings, Bonneville County, District 6, was more than ten percent over the engineer's estimate, requiring justification. The difference lies in the 90 Mil Spray Applied Methyl Methacrylate item. Prior to bidding the project, the District contacted a painting contractor to help in estimating the price for painting. Staff underestimated the cost of the painting due to rapid changes to the market. The District recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #9940 to the low bidder: Specialized Pavement Marking, Inc., Tualatin, Oregon - \$126,296. Member Miller seconded the motion and it passed unopposed.

Landscaping Enhancement, Stanley, District 4. District 4 Engineer Devin Rigby said the District was involved with the City of Stanley a number of years ago on an effort to landscape the junction of SH-75 and SH-21. Nothing came of those earlier discussions. Recently, there has been a renewed effort to landscape this area, the confluence of three scenic byways.

Vice Chairman Combo made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the City of Stanley and the Idaho Transportation Department have had an on-going

ITB06-21 discussion about landscaping the junction of SH-75 and SH-21 and;

WHEREAS, the City of Stanley and ITD will enter into a maintenance agreement regarding said landscaping.

*NOW THEREFORE BE IT RESOLVED*, that ITD will complete the maintenance agreement with the City of Stanley and will provide to the City of Stanley an amount not to exceed \$100,000 of FY07 state funds.

Wayfinding System Plan for the Northwest Passage All American Road. Consultant Mary Jahn summarized the draft Northwest Passage Scenic Byway Wayfinding System Plan. The document is currently being circulated for public review and comment. The Plan's purpose is to assess existing conditions, develop alternatives, and recommend actions to improve communications with visitors and stakeholders along the byway. She elaborated on the recommendations, which mainly focus on signing. Ms. Jahn said some issues, such as funding, need to be finalized. She commended ITD staff for its assistance and support with the plan.

Chairman Winder thanked Ms. Jahn for the information.

Recognition of Outstanding Service to Emergency Projects, District 2. Member Sweeney said two District 2 employees provided exemplary service in assisting Nez Perce County. DE2 Jim Carpenter elaborated on the flooding in May 2005 that significantly damaged several local highways in Nez Perce County. Following the flood disasters, declarations from Nez Perce County, the State of Idaho, and then the President of the United States, resulted in the Federal Emergency Management Agency (FEMA) providing financial assistance to repair the damage. DE Carpenter said ITD was the lead agency in managing the repair efforts. FEMA representatives have commented on the exceptional professionalism, leadership, and dedicated efforts of Bud Henson, Transportation Staff Engineer Assistant, and Kevin Lilly, Local Roads Engineer. Member Sweeney and DE Carpenter presented Messrs. Henson and Lilly with certificates of appreciation for their outstanding service.

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

RES. NO.        WHEREAS, an extreme weather event significantly damaged several local highways in  
ITB06-22        Nez Perce County on May 8, 2005; and

WHEREAS, declarations from Nez Perce County, the State of Idaho, and the President of the United States enabled the Federal Emergency Management Agency (FEMA) to step forward to provide financial assistance to repair the damage; and

WHEREAS, the Idaho Transportation Department has been designated to be the lead state agency to assist FEMA to effect repairs to the damaged roadways; and

WHEREAS, Bud Henson and Kevin Lilly have exhibited exceptional professionalism, leadership, and dedication in their assistance to FEMA for this disaster recovery process; and

WHEREAS, FEMA representatives and the Idaho Bureau of Disaster Services have complimented the Department on the outstanding efforts of these gentlemen.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board wishes to recognize Bud Henson and Kevin Lilly for their exemplary efforts.

Presentation – Connecting the Pieces via Heritage Corridors. Wanda Keefer, Executive Director of the Clearwater Economic Development Association, said successful heritage corridors and

scenic byways connect transportation, tourism, economic development, community development, arts, education, and people and communities. Common elements are: transportation is a key component, they honor history and celebrate the past, they plan for the future, and they involve people at grassroots level. Key attractions to north central Idaho are history, such as the Lewis and Clark expedition, culture, outdoor recreation, and the scenery. She said there is a great opportunity for tourism and economic development in rural Idaho.

Chairman Winder thanked Ms. Keefer for the presentation and her efforts in this area.

Delegation – Lewis Clark Valley Metropolitan Planning Organization (LCVMPO). Steve Watson, LCVMPO Director, said the organization has accomplished a lot since its inception in 2000, partly due to the assistance from and support of ITD. Lewiston Council Member Jim Kluss elaborated on the transportation plan and other activities underway, such as addressing air quality issues and long-range growth. Director Watson concluded by stating that the MPO is still bringing all entities together, including transit providers. A transit service delivery plan is being developed, which should be a great asset to the area.

Chairman Winder thanked Messrs. Watson and Kluss for the update and their continued efforts on behalf of LCVMPO.

Use of Dynamic Message Signs (DMS). ACE-O Laragan summarized the Department's policy and practices regarding dynamic message signs. ITD's guidelines are based on the Manual on Uniform Traffic Control Devices and memoranda issued by the FHWA. The recommendations are to not use DMS on a continuous basis and to not display messages that are not related to traffic control. ITD guidelines, however, contain provisions for occasionally posting messages that are not directly related to traffic operations. District 3 occasionally uses DMS as part of targeted safety campaigns sponsored by the Office of Traffic and Highway Safety. ACE-O Laragan said the District Engineer has authority on utilization of the signs; however, the DE may delegate that authority. He added that the State Communications Center is also involved with DMS and is occasionally requested to activate the DMS equipment. He acknowledged the need to provide information to drivers in a timely manner to enable motorists to make decisions if necessary and to keep the message content current.

Chairman Winder thanked ACE-O Laragan for the informative presentation.

Policies B- and A-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. Vice Chairman Combo said he received a call from a contractor recently asking about two low bids that were rejected by ITD. He suggested tabling the item on Board Policy B-14-06 for one month. He would like information on the process to reject bids, including who has that authority.

Vice Chairman Combo made a motion to table B- and A-14-06, Approval of Plans/ Specifications/Estimates and the Award of Construction Projects, for one month. Member Sweeney seconded the motion and it passed unanimously.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:50 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
May 18, 2006  
Shoshone, Idaho

## REGULAR MEETING AND DISTRICT FOUR TOUR OF THE IDAHO TRANSPORTATION BOARD

May 17-18, 2006

The Idaho Transportation Board met at 7:00 AM, on Wednesday, May 17, 2006, in Twin Falls, Idaho. The following principals were present:

Charles L. Winder, Chairman  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General

Breakfast Meeting. The Board met with several local transportation committees. Greater Twin Falls Area Transportation Committee (GTFATC) Chairman Aaron Wert welcomed the various groups to Twin Falls. He asked the Board to support the US-93, Twin Falls Alternate Route, Stage 2 project, and to fund it with Grant Anticipation Revenue Vehicle (GARVEE) bonds.

Mini-Cassia Transportation Committee Chairman Milo Ross expressed concern with the Overland Road project in Burley. Currently under construction, the project is creating congestion and traffic concerns. Although the community appreciates the work underway, the businesses are concerned with the related impacts. He also expressed support for a Minidoka to Arco road. That area is becoming a tourist attraction, creating the need for better access.

District 4 Engineer (DE) Devin Rigby summarized the Overland Road project, which ITD is completing in partnership with the City of Burley. He said extensive public outreach was completed prior to construction, but acknowledged the community's traffic concerns. Regarding the Minidoka to Arco road, the Bureau of Land Management (BLM) is taking the lead on that proposal. DE Rigby mentioned BLM's comprehensive plan on Craters of the Moon National Monument and its intent to complete a comprehensive transportation plan for that area. ITD will be an active partner and will be providing funding assistance.

Chairman Winder expressed the Board's support for the Twin Falls Alternate Route. He said the project was initially included in the Connecting Idaho – GARVEE Program, but the legislature removed it from the list. The Board will continue to seek GARVEE funding for the project, but Chairman Winder also encouraged the local officials to contact their legislators in support of the



project.

Rusty Parker, representing Northside Transportation Committee, emphasized the importance of the proposed SH-75, Ice Caves project. He commented on the growth along the SH-75 corridor and asked the Board to support improvements to that highway.

Director Ekern thanked the committee members for their comments and for their assistance on transportation issues. He said local committees are critical to ITD's work, especially in the planning arena. He mentioned the Department's concern with inflation, as construction costs increased about 22% the past two years, and stressed that planning is especially important in light of that. He also emphasized that GARVEE bonding is an important tool, but additional funding is needed. He encouraged the officials to attend the Forum on Transportation Investment meeting. With transportation demands of \$20 billion in the next 20 years, it is imperative to look at funding now, as transportation is vital to the state's economy. Director Ekern also reported that the Department's budget includes funding for a new District 4 facility and to start updating the Division of Motor Vehicles' computer system.

Michael Luna, Hagerman Highway District Road Foreman, asked the Board to add the Wendell to Hagerman route to the state highway system. DE Rigby stated that an updated traffic count has been completed. The Board Subcommittee on Adjustments to the State Highway System is aware of the locals' request.

In closing, GTFATC Chairman Wert thanked the Board members for their time. He believes these meetings are beneficial.

Public Meeting: Forum on Transportation Investment (FTI). Chairman Winder welcomed the participants to the FTI meeting. He introduced the Board members and stated that Vice Chairman John X. Combo was absent due to a luncheon invitation with the President of Ireland in Butte, Montana.

FTI Chairman Jim Kempton and Consultants Dwight Bower and Tom Warne summarized the purpose, activities, and findings and recommendations of the FTI. Public comments were then received.

District 4 Tour. The Board departed Twin Falls north on US-93. DE Rigby summarized efforts to relocate the District 4 facilities, including two potential sites along that corridor. While traveling west on SH-25, DE Rigby provided an update on the partnership project with the Jerome School District. The requested access to SH-25 and turn bay should be constructed this summer.

The group traveled south on SH-79. DE Rigby said efforts are underway to transfer jurisdiction of that route to the City of Jerome. The tour continued east on I-84, south on US-93, through construction of the US-93, Twin Falls Alternate Route Stage 1 project, and on the basic alignment of the Twin Falls Alternate Route Stage 2 project.

WHEREUPON the tour and meeting recessed at 3:00 PM.

May 18, 2006

The Board reconvened at 8:45 AM on Thursday, May 18, 2006, at the Idaho Transportation Department District 4 Office in Shoshone, Idaho. All members were present, including Vice Chairman John X. Combo.

Board Minutes. Member McClure made a motion to approve the minutes of the regular Board meeting held on April 19-20, 2006 and the minutes of the special Board meeting held on May 4, 2006 as submitted. Member McHugh seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

June 20-22, 2006 – District 6

July 19-20, 2006 – District 1

August 16-17, 2006 – District 3

Consent Calendar. Chairman Winder asked for clarification on the exemption for moving expenses. Controller Dave Tolman explained the process: upon Board approval, staff requests an exemption to the moving expense limit from the Board of Examiners.

Chairman Winder questioned the \$25 million State Highway Account gap between expenditures and revenue and whether this is a continuing trend. Controller Tolman explained this gap exists because of the accelerated State construction program. Staff is obligating projects earlier in the construction season. He also emphasized that the Department has carry-over authority from the previous fiscal year for obligating projects.

Chairman Winder commended staff for obligating funds earlier and advertising projects for construction in a timely manner.

Vice Chairman Combo made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO.      *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board  
ITB06-24      approves the FY07 out-of-state travel; the Public Transportation  
Statewide Transportation Improvement Program amendment; the FY06 end-of-year

project changes to use FY06 state construction funding; and job recruitment moving expenses; and has received and reviewed the contract award information; the new and supplemental professional agreements report; regional transportation committees; and the March financial statement analysis.

- 1) FY07 Out-of-State Travel. Staff requests approval of the FY07 Out-of-State Travel in the amount of \$413,570.
- 2) Public Transportation Statewide Transportation Improvement Program Amendment. The passage of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) provided significant increases to the Federal Transit Administration funded programs. The increase for 2006 for Section 5311 Rural Program was larger than anticipated when recommendations were provided to the Board last year for inclusion in the FY06 STIP. The final appropriation for this program was \$4,845,697. Staff recommends that the additional \$156,540 be added to the grant for Treasure Valley Transit for services in District 3. These funds will be used to support new services in Valley County and the fixed route service in Mountain Home.
- 3) FY06 End-of-Year Project Changes to Fully Use FY06 State Construction Funding. Staff prepared a delivery plan to ensure full use of state construction funding by the end of the state fiscal year based on project readiness. Staff requests approval to advance FY07 projects to utilize approximately \$9 million in FY06 funds, as shown as Exhibit 317, which is made a part hereof with like effect.
- 4) Job Recruitment/Moving Expenses. Filling the Senior Transportation Planner position has been difficult for District 1. The District has made multiple offers to several candidates, but each time the offers have been declined due to the low salary and the standard moving expense allowance. Due to escalating fuel costs, the actual moving expense faced by many potential employees moving cross country will far exceed the standard \$5,000 allowance. Staff requests permission to pursue an exemption to the \$5,000 moving expense limit with the Board of Examiners with an increase not to exceed \$2,000 to hopefully negotiate successfully with a qualified candidate from Wisconsin.
- 5) Contract Awards. Key #7845 – I-15, China Point Area Snow Fence, District 6. Low bidder: Croft Chimney Sweep & Fence, LLC - \$498,988.  
  
Key #9367 – US-30, Junction I-86 to Junction I-15B, Pocatello, District 5. Low bidder: Jack B Parson Companies - \$539,895.

The low bids on the following projects were more than ten percent over the engineer's estimate,

and staff rejected the bids: Key #9565 – SH-33, Henry’s Fork to Intersection 12<sup>th</sup> West, Rexburg, District 6;

Key #8840 and #9235 – US-93, Mackay, South and Moore, North, District 6.

Key #8534 – SH-7, Gilbert Grade Resurfacing, District 2.

6) New and Supplemental Professional Agreements Report. From April 1 to April 30, 2006, the Consultant Administration Unit processed \$5,409,500 in professional, supplemental, and term agreements.

7) Regional Transportation Committees. In considering the merit of regional transportation committees, staff reviewed legislation proposed in 1996 enacting regional transportation planning organizations. The Board did not support that concept and legislative efforts were not successful. Since then, ITD hired transportation planners in each District to work within their regions with all interested parties to develop District-level project programs. Several guides have also been developed to assist in regional planning efforts. Most recently, the Department has developed a process for non-metropolitan local official consultation. Based on all of these efforts, staff does not recommend establishing regional transportation planning organizations at this time.

8) March Financial Statement. Total federal aid revenue was \$36.3 million, or 17% below projections through March. Revenue from the Highway Distribution Account was \$1.3 million, or .9% less than anticipated. Expenditures for personnel and operating were less than budgeted and capital equipment expenditures were on the budgeted amount. In Contract Construction, the federal program was more than spending projections by 2.5%. The State program was \$6 million ahead of last year.

Aviation fuel tax revenue through the end of March was 1.7% ahead of projections. Miscellaneous revenue was 28% ahead of forecast. Federal revenue is over \$1 million less than collected last year due to no federal expenditures processed this fiscal year. Overall expenditures were less than estimated due to federal grant awards not occurring. In the Aircraft Operations Fund, the revenue was 7% ahead of projections and expenditures were within budget projections.

Board Items. Member McHugh requested a discussion at the July Board meeting on closing unsignalized intersections on US-95 north of Coeur d’Alene. He asked staff to invite local officials to discuss this proposal.

Department Activities. Director Ekern reported on the recent American Association of State Highway and Transportation Officials’ spring meeting he attended. ITD staff will be providing information to the two Congressional committees established in SAFETEA-LU to address the

future of the transportation system and future funding for transportation.

Director Ekern said he has been invited to score National Scenic Byway nominations this year. He invited the Board to participate in that effort, as Idaho has a strong commitment to the Scenic Byway Program.

Director Ekern provided a preliminary overview on the FY08 budget. Total available funding is projected at \$718.5 million, including GARVEE bonding proceeds. Three initiatives being considered are capital facilities modernization; Division of Motor Vehicle information technology initiative, including implementation of the national REAL ID act; and a change in employee compensation equity.

Deputy Director Charles Rountree summarized the Rural Economic Development and Integrated Freight Transportation Program, enacted by the 2006 legislature. A \$5 million appropriation will be provided to the Department of Commerce and Labor to provide revolving loans to upgrade, expand, rehabilitate, purchase or modernize equipment and facilities for short line rail or intermodal freight shipping infrastructure. ITD is to appoint four members to an interagency working group: two ITD employees, a representative of freight shipping interests, and a representative from the Local Highway Technical Assistance Council.

Chief Engineer Steve Hutchinson reported on the administrative study being conducted to review Headquarters' and Districts' administrative functions to determine processes that work well and recommend changes where necessary to increase efficiency. A team of nine Headquarters and District employees have been named to undertake this review.

CE Hutchinson provided an update on the consent decree for the US-95, Mica Bay settlement. Some of the items ITD will be doing to comply with the consent decree include updating the construction administration manual and training. Environmental Section Manager Dennis Clark will oversee compliance with the consent decree.

DE Rigby said he has been working with Dan Schilling on his request to close one lane of traffic on the US-93 Perrine Bridge in July. DE Rigby believes that process is proceeding well and that Mr. Schilling will be able to conduct the charity event and attempt to set the world record for Bridge, Antenna, Structure and Earth jumping in one 24-hour period. He also reiterated the partnership project with the Jerome School District. Plans are to construct the access on SH-25 and turn bay this summer.

Assistant Chief Engineer – Operations Greg Laragan reported on efforts to update the access management policy. He said a number of stakeholders were involved in drafting the new proposed policy. One of the next steps will be an administrative rule change.

Sonna Lynn Fernandez, Senior Transportation Planner, elaborated on efforts underway to develop an agreement with the Community Planning Association of Southwest Idaho (COMPASS) on integrated access. Although the process to date has been based on the current policy, the involved parties are aware of updates being proposed. COMPASS understands the importance of a well-developed access plan and is willing to work cooperatively on access issues.

Public Affairs Officer (PAO) Jeff Stratten reported on plans to commemorate the 50<sup>th</sup> anniversary of the interstate system. A convoy traveling from California to Washington, DC will pass through Salt Lake City, Utah next month, and he invited the Board to attend that celebration. PAO Stratten also mentioned the celebration scheduled in Washington, DC on June 28-29, upon arrival of the convoy. Director Ekern added that he intends to participate in the Salt Lake City and Washington, DC festivities. The latter also includes a policy seminar and he extended an invitation to the Board members to participate in both events.

Public Transportation Advisory Council (PTAC) Annual Report. Public Transportation Administrator Larry Falkner reported that an extensive federal audit is being conducted on ITD. In addition to information provided by staff, the process will also include interviewing and auditing two Twin Falls area providers.

PTAC Chairman Joe Herring said the Council has been involved with the statewide transportation system plan, which is being coordinated by Cambridge Systematics. The Interagency Working Group held statewide forums on public transportation to address various issues, identify challenges, and develop opportunities and strategies. Coordination efforts have expanded to District 4, where two providers are merging operations. Next month PTAC will recommend to the Board projects to be included in the updated STIP.

Chairman Winder thanked PTAC Chairman Herring for the update and for his continued efforts with public transportation.

Adopt-A-Highway. Member Blick acknowledged the Farmers National Bank employees and their families for participating in the Adopt-A-Highway Program. He said the Board appreciates the assistance they provide to the state by picking up litter on US-93 from milepost 50.3 to 51.5.

Delegation – North Idaho Community Connection Group. David Kilmer said the delegation is comprised of various business owners. It is proposing an alternative to the Sand Creek Byway project in Sandpoint. He acknowledged the traffic concerns in Sandpoint, but expressed a desire to keep traffic in town and encourage motorists to stop in the City. He proposed erecting roundabouts at the City's gateways, as these structures are efficient at moving traffic, reduce accidents, and can be a way for communities to identify themselves. He also asked the Board to

consider moving traffic through Sandpoint on the existing infrastructure instead of constructing the proposed Sand Creek Byway. He believes this alternative would help connect the communities of Sandpoint, Dover, Ponderay, and Kootenai.

Chairman Winder thanked Mr. Kilmer for the presentation. He stated that he fully supports the alternative through Sandpoint and proposed it approximately 10 years ago. After numerous meetings and extensive outreach efforts, the community selected the Sand Creek Byway project. Due to the extensive work that has been completed on this proposal, the Board intends to continue with its construction.

SH-34, Pine Bar Landslide Project, District 5, in FY07 of Restoration and Expansion Program.

Dave Amick, Manager, Transportation Investments (MTI), reported on a landslide that occurred over SH-34 at approximately milepost 104.3. The site appears to be a massive deep-seated slide originating on the ridgeline north of the road. The south lane has been closed due to the slide. One lane of traffic flow has been restored on a temporary basis. The extremely cracked and settled pavement and embankment requires further analysis and monitoring. A subsurface investigation will have to be performed to determine the types of soils that exist within the slide area and their engineering properties, location of the slide plane and the movement rate, if any, and location of ground water level. A consultant has been secured to perform the investigation. The Governor has issued a disaster declaration in connection with damage related to the spring runoff and flooding in Caribou and other counties in the area. Federal Emergency Relief funding will be sought for reimbursement of the costs for the temporary and permanent repair of the damage. FHWA will complete the detailed damage investigation report required to document the costs eligible for federal emergency relief funding.

MTI Amick said a State-funded project for \$200,000 has been established in FY07 of the Restoration and Expansion Program of the Capital Investment Program to perform the investigation and analysis. The results will be used in determining additional temporary and future permanent construction options and costs. Reimbursement for current costs and future construction costs will be programmed in the Emergency Relief Program as such costs are identified. Near-term funding for the eventual design and construction costs of the project has not yet been identified.

Chairman Winder thanked MTI Amick for the report.

Congestion Mitigation/Air Quality (CMAQ) Technical Review Committee Recommendations for FY09.

Transportation Planner Phil Choate summarized the efforts of the CMAQ Technical Review Committee to prioritize projects for FY09 funding. Available federal aid totals \$4 million by policy. Of the 43 project applications received, 23 will appear as “recommended for funding” in the Draft Highway Program. He stated that the emphasis this year is on reduction of PM 10,

but two traffic signal improvements and the Department of Environmental Quality's (DEQ) request to retrofit diesel powered school bus fleets statewide are also being recommended for funding.

Member Miller asked for additional information on DEQ's project. Mr. Choate said the objective is to install air pollution control devices in diesel school buses to reduce school children's exposure to diesel particulate emissions.

Enhancement Advisory Committee (EAC) Prioritized List of Enhancement Projects for FY09.

Mr. Choate reviewed the prioritized list of projects established by the EAC for FY09 Enhancement funding. Staff anticipates \$5.2 million available in FY09. Of the 47 applications totaling \$20.5 million received, 15 projects are being recommended for funding.

Chairman Winder noted that the City of Potlatch's request to fund restoration of a railway depot was not recommended for funding. When the Board met with City of Potlatch officials a couple of years ago, it expressed support for the City's project. Mr. Choate stated that funding is included in the current STIP for the City's Historic Railroad Depot project. The EAC did not believe the Washington, Idaho and Montana Railway Depot Historic Restoration project would be ready for construction in FY09, but the FY09 request will have no impact on the currently scheduled depot project.

Chairman Winder thanked Mr. Choate for the briefing on the two Programs.

Update on Division of Motor Vehicles (DMV) Systems Planner Request for Proposal. Tina Klamt, Purchasing Agent, summarized the efforts to solicit proposals from interested and qualified firms to provide a Solutions Planner to conduct research, analysis, and project management assistance for the DMV. An evaluation committee has been established and the evaluation process determined. The award will be based on points for the following criteria: experience and qualifications, approach to the project, presentation and interview, and cost. Staff anticipates notifying the Board of the selection at the June meeting, and barring any appeals, expects the vendor to begin work the second week of July.

In response to Member Sweeney's question, Director Ekern confirmed that \$3 million has been appropriated for this project. The cost is not to exceed this amount.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code.

Member Miller made a motion to meet in executive session at 11:50 AM to discuss personnel and legal issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on pending litigation related to access near I-84 and SH-55;



condemnations on the US-93, Twin Falls alternate route project; and the US-95, Mica Bay project.

A general discussion was held on personnel issues related to the evaluation of ITD employees and ongoing contract negotiations.

The Board came out of executive session at 1:25 PM. No decisions were made.

Air Pool Program: Funded by the State Highway Account (SHA). Per Board request, staff explored the feasibility of providing funds to the Division of Aeronautics from the SHA. The intent was to provide additional funding for airport projects. Controller Tolman said the various functions of the Division were reviewed. It was determined that if any costs from the Division of Aeronautics could be funded from the SHA, it would be the air pool operation and maintenance activities. This is due to the programmatic purpose of the air pool – a transportation service provided to ITD and other state agency personnel similar in nature to the motor pool. This is also consistent with the logic utilized in funding the major repairs and overhaul of aircraft approved by the Board in 2004.

Controller Tolman elaborated on two options: fund the direct costs of the air pool but no administrative personnel costs and fund the direct costs of the air pool and 25% of administrative personnel costs. The first option is estimated to cost \$425,000; however, air pool receipts are estimated at \$200,000 so the net impact to the SHA would be approximately \$225,000. The second option would result in a net impact of \$292,000 to the SHA, with costs of \$492,000 and air pool receipts of \$200,000. He added that funding would have to be limited to the source of revenue that the Department does not believe is restricted in use.

Member Sweeney supported consideration of these options, as the funding available for general aviation has been reduced.

Member Blick asked if airports have taxing authority. He would like information on what funding options are available to airports and if airports are exercising the available options.

Member McHugh expressed concern with the reduction in funds that would be available for highway projects. Member Sweeney stated that airports are an essential transportation mode and are important to the economy.

Chairman Winder asked staff to continue exploring funding options and revisit this issue next month.

Annual Safety and Rest Area Status Report and Planning Map. Cathy Ford, Roadside Program

Administrator, provided an update on the Rest Area Program and summarized some of the activities for FY06. 511 sign overlays are being installed at all existing rest areas in Districts 1 through 4, with work in progress on the District 5 and 6 facilities. The Rest Area Maintenance Contract is being updated and standardized. Staff is working with the Idaho Weed Awareness Coordinator to educate the public on the dangers of transporting and spreading noxious weeds across Idaho. Parametrix is actively managing the Rest Area Program in coordination with the Rest Area Team and tracking individual rest area projects. She also provided an update on each rest area facility.

Vice Chairman Combo requested additional information on the utilization of Parametrix to oversee the Program. Ms. Ford responded that part of the consultant's responsibilities is to help develop new rest areas, as ITD does not have sufficient staff to manage the program.

In response to Member McHugh's question on constructing rest areas in Interstate medians, Maintenance Engineer Dave Jones said the Blacks Creek Rest Area, currently under construction, had been designed, ready to go. It was too late to change the plans and construct the facility in the median. Staff will give future consideration to locating rest areas in the median.

Vice Chairman Combo reminded staff of underlying documents on the Big Lost River Rest Area in District 6. He believes an earlier agreement for that facility was signed with the BLM and/or Idaho National Laboratory as the landowner. He emphasized the need to work cooperatively with the appropriate landowner.

Member McClure made a motion, seconded by Member Sweeney, and approved unanimously, to approve the following resolution:

RES. NO.        WHEREAS, Board Policy B-05-14, Safety Rest Areas, requires the Chief  
ITB06-25        Engineer to prepare and submit annually an updated rest area planning  
map, along with a brief status report, to the Idaho Transportation Board for review  
and approval; and

WHEREAS, additional and more improved roadside rest areas are needed on the state highway system to provide motorists convenience and safety; and

WHEREAS, tourist and traveler information is an integral function of the Idaho Transportation Department rest areas, in particular, those rest areas with staffed or unstaffed visitor information centers.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the updated rest area planning map dated January 2006 and the rest area improvement program chart, as shown as Exhibit 318, which is made a part hereof with like effect,

and the rest area status report.

Board Policy B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. CE Hutchinson stated that the cost of doing business has increased over the years. To provide staff with more latitude and to help expedite the award of projects, staff is recommending revising B-14-06 to give staff more authority in awarding contracts. He summarized the procedures, whereby the Districts provide justification for bids that are less than 25% under the engineer's estimate and those that are more than 10% over the engineer's estimate. Additionally, Headquarters reviews all bids. The Roadway Design Engineer has authority to award contracts and reject bids.

Vice Chairman Combo questioned the audit trail for rejecting bids, as that authority is not identified in policy. CE Hutchinson responded that the policy can be revised to clarify that process.

The consensus of the Board was to have staff revise the policy and present it for approval next month.

Contract Awards. CE Hutchinson said the low bid on IM-90-1(216)0, key #8918 – I-90, Washington State Line to Sherman Avenue, Coeur d'Alene, Kootenai County, District 1, was more than ten percent over the engineer's estimate, requiring justification. The source for the engineer's estimate was the ITD Estimator Average Unit Price List with input from Headquarters' Bridge Section. One item, S501-40A, Repair of Deteriorated Concrete was erroneously estimated. Research conducted by staff indicates that the bid amount is reasonable, and because no benefit is anticipated if the project is readvertised, staff recommends awarding the project.

Member McClure made a motion to award the contract on key #8918 to the low bidder: Poe Asphalt Paving, Inc., Lewiston, Idaho - \$6,016,790.11. Vice Chairman Combo seconded the motion and it passed unopposed.

Vice Chairman Combo made a motion to award the bid on IM-90-1(202)21, key #8068 – I-90, Wolf Lodge East, Kootenai County, District 1, to the low bidder: Interstate Concrete and Asphalt Company, Coeur d'Alene, Idaho - \$4,698,602.40. Member Miller seconded the motion and it passed unanimously.

The low bid on ST-1767(609) and ST-1767(608), keys #9366 and #8977 – US-91, Ferry Butte Road to South Blackfoot Interchange and South Blackfoot Interchange to Fort Hall Reservation, Bingham County, District 5 was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the engineer's estimate was compiled using the Average Unit

Price Report and recent projects awarded within the state. Items causing major differences between the engineer's estimate and the apparent low bid were S405-25A, Superpave HMA Pavement Including Asphalt and Additives and Z629-05A, Mobilization. Staff believes the difference in the first item was due to the inflated cost for petroleum products and the small quantity of plantmix for the project. The mobilization difference was believed to cover the contingencies for asphalt pricing in the rapidly escalating market, small plantmix quantity, and plantmix designing by the contractor. The Superpaving item is new to the District, so it did not have a good estimate on that cost. Staff does not anticipate a savings if the project is readvertised, and because the project is a seal coat and overlay, no significant revisions could be made to the plans. Construction of the project is urgent due to pavement deficiency, safety, route continuity, and driver expectations. Staff recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on keys #9366 and #8977 to the low bidder: Jack B Parson Companies, Pocatello, Idaho - \$837,675.99. Member Miller seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on STP-7785(100), key #8906 – Bridge Street Pedestrian Widening, Bonner County, District 1, was more than ten percent over the engineer's estimate, requiring justification. The consultant used the ITD Estimator software with prices modified for project conditions, supplier budget estimates, and increases for escalating material costs for the estimate. The bid opening was later than planned due to multiple reasons and the engineer's estimate was not updated after the plans, specifications, and estimate submittal last August. The four bid items of major difference were two Piling items, Traffic Control, and Mobilization. The cost of steel has escalated significantly recently, resulting in the higher Piling bids. Additional savings are not anticipated if the project is re-bid. The sponsor, the City of Sandpoint, will provide the additional funding, and requests approval of the award. Staff concurs.

Vice Chairman Combo made a motion to award the contract on key #8906 to the low bidder: C E Kramer Crane & Contracting, Naples, Idaho - \$978,768. Member McHugh seconded the motion and it passed unopposed.

The low bid on A009(938), A010(438), A010(439), A010(440), A010(441), A010(442), A010(443), and A010(444), keys #09938, #10438, #10439, #10440, #10441, #10442, #10443, and #10444 – Near Sheep Creek Bridge, Benewah County, Etc., Kootenai, Benewah, and Boundary Counties, District 1, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the sources for estimating the bid items were the ITD Estimator Average Unit Price List and the September 2005 Average Unit Price Report with an additional 15% given to items containing asphalt or affected by fuel costs. Two bid items, 403-006A, Asphalt for Seal Coat CRS-2P Emulsified and 408-010A, Diluted Emulsified Asphalt for Fog Coat, along with their respective impact on item Z629-05A, Mobilization, inflated the bid past

the 110% threshold. The impact from the dramatic rise in the price of oil and fuel currently taking place throughout the country was gravely underestimated when the unit prices for the bid items were projected. There are no perceived potential savings from re-advertising the projects. Delaying these seal coat projects would adversely affect the Strategic Pavement Preservation Plan for District 1 and ultimately cost the District more to maintain the existing quality level of highways. Staff recommends awarding the project.

Member McHugh made a motion to award the contract on keys #09938, #10438, #10439, #10440, #10441, #10442, #10443, and #10444 to the low bidder: Poe Asphalt Paving, Inc., Lewiston, Idaho - \$2,548,088.05. Member Blick seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on ST-2390(706), key #9352 – US-93, Barrymore to Junction SH-25, Jerome County, District 4, was more than ten percent over the engineer's estimate, requiring justification. The major differences in the low bid and the engineer's estimate were in the S405-25A Superpave SP-3 and Z629-05A Mobilization items. The District does not believe there is an advantage in re-advertising the project, as the escalation in prices is of a global nature. Due to the urgency of the project, staff recommends awarding the project.

Member Blick made a motion to award the contract on key #9352 to the low bidder: Idaho Sand & Gravel Company Inc., Jerome, Idaho - \$1,173,087.07. Member McHugh seconded the motion and it passed unanimously.

Delegation – City of Twin Falls. Twin Falls Mayor Lance Clow elaborated on the extensive growth occurring in the Twin Falls area. He stated that Twin Falls is the retail center for approximately 200,000 people, which stresses the transportation system. He thanked the Board for the US-93, Twin Falls Alternate Route Stage 1 project, currently under construction. Mayor Clow summarized three projects scheduled in the current STIP: Blue Lakes North, Washington Street, and Twin Falls Alternate Route, Stage 2. He suggested changing the order of construction: schedule the Washington Street project in 2008, Blue Lakes in 2009, and Stage 2 of the Alternate Route in 2011. Mayor Clow also encouraged the Board to continue working on an additional river crossing.

Chairman Winder thanked Mayor Clow for his comments. He encouraged the Mayor to work with DE Rigby on the community's priorities. Chairman Winder also requested the Mayor's assistance with the Connecting Idaho Program, by contacting area legislators in support of GARVEE funding.

Delegation – City of Shoshone. Shoshone Mayor J. R. Churchman asked the Board what its intent is regarding the District 4 facilities currently located in Shoshone. Chairman Winder stated that although studies have been conducted on relocating the facilities, both in Shoshone and out

of the community, he believes the District office will remain in Shoshone. Member Sweeney said he is not convinced that the facility should stay in Shoshone. Director Ekern added that he believes staff's recommendation will be to construct a new office in Shoshone. This item should be ready for Board consideration next month. Member Blick said he will not be attending the June Board meeting and asked if the schedule would allow the Board to consider this issue at its July meeting.

Member Blick made a motion to hold the recommendation on the District 4 facilities until July. Member Sweeney seconded the motion and it passed unopposed. (See later minute entry.)

Mayor Churchman thanked the Board for its time.

Old/New Business. Controller Tolman reported on the sale of GARVEE bonds earlier this month. Bond proceeds from the Series 2006 sale were \$194,340,000 par amount and \$5,655,593 premium for a total of \$199,995,593. The cost of issuance was \$382,429, the preliminary underwriter's discount was \$1,158,093, and the bond insurance was \$514,000. A total of \$197,941,071 was deposited into the construction fund.

DE Rigby elaborated on the impacts of relocating the District 4 facilities. Rebuilding the facility in Shoshone is estimated to cost \$5 million, while facilities at the junction of US-93 and I-84 are estimated at \$5.2 million and at the junction of US-93 and SH-25 at \$5.3 million. He said approximately 53% of the District employees that responded to a survey live in the Shoshone area and approximately 40% live in the Twin Falls area. Relocating the facilities outside of Shoshone would increase overall travel times for employees by 2.5 to 2.8%. DE Rigby said the overall impact to the City of Shoshone is minimal, as relocating would reduce the city's retail sales by less than one percent. He added that nearly 75% of the District's job applicants live in the Twin Falls area.

Although moving the office out of Shoshone would impact the current employees, Member Sweeney believes the Department has to plan for the future. Member Blick said he does not believe moving the facilities would be advantageous. He expressed concern with congestion in the vicinity of Twin Falls and Jerome due to the growth occurring in that area.

Chairman Winder asked what will happen to the existing facilities. He said that issue needs to be addressed. He also questioned employees' home values in Shoshone if the facility is relocated to another community. DE Rigby concurred that home values are a consideration; however, those values are difficult to calculate.

Chairman Winder thanked DE Rigby for the update.

Member Blick said he attended a meeting recently to discuss the Buhl to Wendell route. Local officials requested guidance on right-of-way acquisition, which is part of the memorandum of understanding to transfer jurisdiction of the route from the locals to the state. He asked the local officials to attend the Board meeting to discuss the right-of-way acquisition.

Marvin Cox, Chairman, Buhl Highway District Commission, said the locals' initial charge was to acquire the needed right-of-way. He asked for clarification if that meant acquisition of the ground or if it also includes related issues and expenses such as relocating fences and irrigation systems and paying for damages. He commented that he does not know where the additional money would come from for the related expenses.

Chairman Winder stated that acquiring right-of-way generally includes improvements and related issues such as relocation.

Member Blick said after the locals obtain the right-of-way, the landowners would be able to utilize the ground until ITD is ready to improve the route. Chairman Cox added that a lease agreement would be established until construction. That means items such as irrigation facilities would not need to be relocated for several years. The expense of relocation will most likely be higher in four or five years.

Member McClure believes the local entities should be responsible for negotiations for purchasing or purchase options for right-of-way, including damages to the improvements such as irrigation pivots and ditches. He asked staff to research minutes of the Board Subcommittee on State Highway System Adjustments meetings and related documents to ascertain if the Subcommittee's intent can be determined.

Chairman Cox stated that the cost to only acquire the ground is approximately \$300,000 while the estimate with damages is about \$1.6 million. He asked if the locals should proceed with appraisals and if so, if those appraisals should be with or without damages.

Member McClure suggested that the appraisals include damages, as that information will be needed in the future regardless of the responsible party. Chairman Winder asked staff to consider funding options for the right-of-way acquisition. He asked the Subcommittee to review the issue and report back to the full Board at a future meeting.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:25 PM.

signed

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**FRANK BRUNEEL, Chairman**  
**Idaho Transportation Board**

**Read and Approved**  
**June 21, 2006**  
**Idaho Falls, Idaho**



## SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

May 4, 2006

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 3:00 PM on Thursday, May 4, 2006. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Charles L. Winder, Chairman  
John X. Combo, Vice Chairman – District 6  
Monte C. McClure, Member – District 3  
Sue S. Higgins, Board Secretary  
Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference or video conference:

John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(a), (b) and (f), Idaho Code. Member Miller made a motion to meet in executive session at 3:00 PM to discuss personnel and legal issues. Member Blick seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on litigation related to a condemnation case on the US-93, Twin Falls alternate route project.

A general discussion was held on personnel issues related to the hiring and evaluation of ITD employees.

The Board came out of executive session at 3:55 PM. No decisions were made.

New Business. DAG Vogt reported that a settlement agreement has been reached with several parties on condemnation cases related to the US-93, Twin Falls Alternate Route, Stage 1 project in District 4. He recommended approving the settlement.

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

RES. NO. WHEREAS, the staff of the Idaho Transportation Department has received an offer to settle  
ITB06-23 the case of *State v. Rahe, Billiar, Behm and Valenti* for \$2,050,000

including interest, costs and attorney fees; and

WHEREAS, this total settlement in the amount of \$2,050,000 is just compensation for the property taken for right-of-way acquisition in the US-93, Twin Falls Alternate Route, Stage 1 Project in Twin Falls County.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$2,050,000 as just compensation for acquisition of the real property taken and/or damaged in the case of *State v. Rahe, Billiar, Behm and Valenti*.

WHEREUPON the special session of the Transportation Board adjourned at 4:00 PM.

signed

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CHARLES L. WINDER, Chairman  
Idaho Transportation Board

Read and Approved  
May 18, 2006  
Shoshone, Idaho

## WORK SESSION, REGULAR MEETING, AND DISTRICT SIX TOUR OF THE IDAHO TRANSPORTATION BOARD

June 20-22, 2006

The Idaho Transportation Board met at 8:30 AM, on Tuesday, June 20, 2006, at the Idaho Transportation Department District 6 Office, Rigby, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General  
Steve Hutchinson, Chief Engineer  
Charles Rountree, Deputy Director

Chairman Bruneel provided introductory comments and background information on himself, including eight years of service on the Idaho House Transportation and Defense Committee. He said it was an honor and privilege when Governor Jim Risch asked him to serve as chairman of the Transportation Board. Chairman Bruneel also acknowledged Chuck Winder's extensive service to the Transportation Board and state.

Factors and Trends: Revenue and Program Costs. Senior Budget Analyst (SBA) Joel Drake, Controller Dave Tolman, and Economics and Research Manager Doug Benzon provided information on the FY08 budget, projected revenue, and trends. Since 1998, revenue to the state's general fund increased 69.8% while revenue to the State Highway Account (SHA) and Aeronautics' Fund increased 14.7% and 12.3%, respectively. Potential impacts to the Highway Distribution Account (HDA) and SHA include rising fuel prices that tend to reduce consumption, Tribal fuel tax loss of \$3 million per year, retroactive Tribal fuel tax claims of \$22 million, and a fuel distributors' lawsuit for a refund of \$6 million for the one-cent transfer fee that it believes was over paid to the Petroleum Clean Water Trust Fund.

Renee Sigel, Assistant Administrator, Division Office, Federal Highway Administration (FHWA), reported on national trends. From 1997 to 2005 the National Construction Cost Index (NCCI) increased an average of 5.2% annually. The average annual growth in state revenue to ITD was 1.7% during that same time period. The NCCI increased 24.1% from the 2<sup>nd</sup> to the 3<sup>rd</sup> quarter in 2005. The existing sources of revenue are not sufficient to keep up with maintenance or

highway and transit needs. She added that the National Highway Trust Fund is projected to have a deficit by 2009, which could lead to the reduction of the federal transportation program before the end of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). Ms. Sigel summarized opportunities for Idaho to increase its federal funding. If the state passes a primary seat belt law, it would receive \$4.5 million in one-time funding and \$1 million in subsequent years. Increasing the seat belt violation fine to a minimum of \$25 or removing the nursing baby exemption would result in \$1 million additional federal funds per year, and upgrading the child passenger safety law to eight years of age or 80 pounds would result in \$250,000 annually.

Connecting Idaho Program/GARVEE Bonds. GARVEE Program Administrator Nestor Fernandez provided an overview on the FY06-07 \$200 million Connecting Idaho - GARVEE Bond program. He mentioned that the first GARVEE-funded project has been advertised and the bids were opened last week. Controller Tolman elaborated on the debt service requirements. Each month, \$174,000 in state matching funds will be deposited for both interest and principal. The FY07 state match deposits total \$2,043,400, which is \$1,355,500 above legislative authorization of \$688,000. This was due to an oversight of the monthly transfer.

Chairman Bruneel welcomed Representative JoAn Wood to the workshop.

Washington Group International consultant Dave Butzier summarized the status of projects in the Connecting Idaho Program. He requested guidance on prioritizing future projects and said he believes \$329 million will be requested in FY08. Member Miller expressed concern with the Department's revenue projections and increased costs of materials. He believes safety has to be a major factor in determining priorities and suggested that staff provide recommendations for the FY08 Connecting Idaho Program.

Capital Investment Program. Dave Amick, Manager, Transportation Investments, summarized the Capital Investment Program, including eliminating Preliminary Development due to the establishment of Horizons: Near Horizon for projects 6 to 10 years out, Mid Horizon for years 11-15, and Far Horizon for projects beyond 15 years. The Horizons are a transition between the shorter five year project planning and implementation of the STIP and the longer 2034 Idaho Transportation Vision. The intent is to expend resources on projects in the STIP. Projects in a Horizon will be reviewed to determine the feasibility of constructing them and then advancing projects into the STIP as they become ready and funds are identified.

The Division Administrators elaborated on their respective programs. Highways are funded at \$309.2 million, or 96%; public transportation at \$9.6 million, or 3%; and Aeronautics at \$2.6 million, or 1% of the Capital Investment Program. Local Highway Technical Assistance Council (LHTAC) Administrator Joe Haynes summarized the Local Programs. He expressed appreciation

to the Board for allowing the local entities to participate in the Program. Some discussion was also held on the high priority projects. Currently, funding for the state's high priority projects is taken off the top, while the local's share of funding for high priority projects is deducted from the locals' share.

Intermodal Planning Manager (IPM) Pat Raino and Senior Transportation Planner Sonna Lynn Fernandez summarized the STIP document. A new format has been developed to provide consistency with information from the Office of Transportation Investment. The public comment period will be from July 7 through August 8.

Draft FY08 Budget: Assumptions, Choices, and Trade-offs. SBA Drake summarized the Department's FY08 budget proposal. Staff estimates \$510 million will be available. The Division of Motor Vehicles is requesting \$13 million annually to modernize its information systems and \$1,991,500, including 18 full time equivalent (FTE) positions, and \$6 million annually to meet the requirements of the federal Real ID Act. Some of the other recommendations include \$21.8 million for equipment, \$321.4 million for Capital Investment and Trustee and Benefits (excluding GARVEE), \$5.2 million for facilities in Districts 4 and 5, and \$0.6 million for public transportation.

The Division Administrators elaborated on elements of their respective divisions. Chief Engineer Hutchinson said accommodating inflation costs of fuel, paint, and beads in operations without an increase over the FY07 appropriation will be challenging. The division is looking at options to address these costs, such as delaying or eliminating state maintenance projects like mowing, reducing the purchase of some highway materials, reducing travel, and reducing or eliminating rest area service agreements.

Acting Motor Vehicles Administrator (AMVA) Alan Frew is proposing a driver's license fee increase to cover costs of implementing the Real ID Act and increasing the fee on motor vehicle products to fund the information system modernization proposal.

Aeronautics Administrator Bob Martin expressed concern with the decreasing cash balance in the Aeronautics Fund due to increasing operating costs. Although the airpool revenue has remained fairly constant, it is not sufficient to pay for operating costs. He believes the division's options are to transfer costs from the Aeronautics Fund to the SHA or reduce the grants provided for airport projects.

The Division of Administration is challenged with modernizing the aging administrative facilities across the state to address overcrowding and substandard compliance with life-safety requirements, according to Administrator (ADA) Susan Simmons. It may be necessary to trade or sell surplus property, or partner with city, county and state agencies to share capital costs.

Continuing the strategy to finance and develop District 3 and Headquarters facilities is also a concern. A concurrent resolution authorizing partnering with the Idaho State Building Authority for a \$3.2 million 20-year bond payment beginning in FY10 is being explored. Chairman Bruneel asked why ITD's facilities are not funded through the Permanent Building Fund. Staff will explore the feasibility of using general funds for the Department's capital facilities.

Board discussion followed on various options to address the Department's FY08 budget needs with the limited revenue available. Discussion also focused on the feasibility of maintaining the aircraft pool.

Member Miller made a motion to recess for the day and resume the budget discussion on June 21. Member Sweeney seconded the motion and it passed unopposed.

WHEREUPON the work session recessed at 5:20 PM.

June 21, 2006

The Board reconvened at 8:30 AM on Wednesday, June 21, 2006, at the District 6 Office in Rigby, Idaho. All members were present except Gary Blick.

May 17-18, 2006 Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on May 17-18, 2006 as submitted. Member Sweeney seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

July 20-21, 2006 – District 1

August 16-17, 2006 – District 3

September 20-21, 2006 – District 5

Consent Calendar. Vice Chairman Combo requested Board concurrence to endorse the STP-Urban Committee's request to advance the Sunnyside Road project, key #7979, if additional funds are available during the year-end advance and delay process. In response to Member Sweeney's question on LHTAC's position, Mr. Haynes responded that it supports the request to advance the Sunnyside project if funding becomes available. Without objection, the Board supported the request.

Vice Chairman Combo mentioned Montana's intent to erect 16 geologic information signs at rest stops, parking areas, and pullouts along its highways this year. The signs will provide geological information on the area. He asked staff to consider posting geologic signs in Idaho based on the

“Roadside Geology of Idaho” publication.

Member Miller expressed concern with Parametrix managing the Department’s Rest Area Program because it is not familiar with the historical discussions the Board has had on the Program, such as partnering opportunities.

Member Sweeney requested that staff not place the monthly new and supplemental professional agreements report on the consent calendar in the future. He also asked staff to expand on information presented on the use of consultants.

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

RES. NO.      *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-26      approves the FY07/state FY08 public transportation grant funding; re-appointment of Public Transportation Advisory Council Members in Districts 1 and 4; technical changes to Board policies; revisions to Rules Governing Accident Prevention Course IDAPA 39.02.73; Local Highway Technical Assistance Council FY06 end-of-year program adjustments; delaying Cherry Creek northbound rest area project to FY07, District 5; removing Lucky Strike Homestead Preservation project, District 6; increasing Transportation Enhancement funding to federal-aid limit of \$500,000, Garden Valley Trail project, District 3; adjusting the STP-TMA project program funding and STIP; supplemental agreement for US-30, McCammon to Topaz and Lava Hot Springs to Fish Creek, District 5; and supplemental agreement for I-86, Chubbuck Interchange to Pocatello Creek Interchange, District 5; and has received and reviewed information on advancing the local project, Sunnyside Road, Idaho Falls, District 6; contract award information; new and supplemental professional agreements report; utilization of Parametrix for rest area program management services; and the quarterly report on legal actions and contract claims.

1) FY07/State FY08 Public Transportation Grant Funding. The Division of Public Transportation has completed the public meeting and application review process for the FY07 Federal Transit Administration (FTA) Programs and the state FY08 Vehicle Investment Program (VIP). Section 5310 totals \$458,902, with funds allocated to Districts based on the percentage of elderly and persons with disabilities living in the District. Additionally, SAFETEA-LU mandates a coordinated public transit human service transportation planning process to recommend and fund these projects. Funding not awarded in the 5310 Program will be assigned to eligible capital projects as local coordination plans are executed in compliance with FTA regulations. Section 5311 funds total \$4,407,555, including \$3,646,817 for Rural and \$760,738 for Intercity Bus. The VIP funding is recommended at \$312,000. Staff requests Board approval of the projects developed for the FY07 Sections 5310, 5311 and the SFY08 VIP, as shown as Exhibit 319, which

is made a part hereof with like effect.

2) Re-appointment of Public Transportation Advisory Council (PTAC) Members in Districts 1 and 4. Jim Deffenbaugh was appointed to the PTAC in 2004 to represent District 1 and Joe Herring was appointed as the District 4 PTAC member in 2003. Both gentlemen have agreed to serve another three-year term. Staff recommends re-appointing Messrs. Deffenbaugh and Herring to the PTAC, representing Districts 1 and 4, respectively, through June 2009.

3) 2007 Strategic Plan. Staff requests approval of the 2007 Strategic Plan for submittal to the Division of Financial Management (DFM). The plan has been revised to meet the requirements for form and content as stated in House Bill 300 passed by the 2005 Legislature.

4) Technical Changes to Board and Administrative Policies. Due to the consolidation of Registration Services, Ports of Entry and Overlegal Permits into one section with the new name of Commercial Vehicle Services, technical changes are being proposed to the following Board Policies: B-31-01, Port of Entry Program; B-31-02, Roving Port of Entry Program; B-31-06, Permit Vendors; B-31-07, Overlegal Permit Operations; B-31-08, Registration, Fuel and Mileage Tax and Cost of Overlegal Permits Exemptions; and B-31-09, Suspension of Motor Vehicle Procedures during Disaster Relief Operations. Staff requests approval of the revised policies.

5) Rules Governing Accident Prevention Course IDAPA 39.02.73. This rule establishes standards for the Accident Prevention Course. Staff requests approval to revise the rule due to House Bill 462, which lowered the age requirement to receive an insurance premium reduction benefit for taking the Accident Prevention Course from age 65 or older to age 55 or older. The proposed rule change eliminates the reference to driver age as it is redundant because the age stipulation is included in the law.

6) Local Highway Technical Assistance Council (LHTAC) FY06 End-of-Year Program Adjustments. LHTAC requests approval to delay the \$908,000 Rex-Leland Highway, Gooding County, key #8692, to FY07; delay the \$616,000 Old County Road Bridge, Benewah County, key #8768 to FY07; delay the \$576,000 Watson Bridge, Culdesac, key #7786 to FY07; and advance Yale Road, Cassia County, Stage 2, key #8493 from Preliminary Development to FY06 to utilize the funds released with the delay of the three requested projects. Approximately \$1 million of the Yale Road project would be advance constructed by Cassia County with federal conversion programmed for FY07.

7) Delay I-15, Cherry Creek Northbound Rest Area Rehabilitation, Key #9628, District 5, to FY07. Because the Cherry Creek Northbound Rest Area will not be ready for construction in FY06, staff requests delaying the \$1.7 million project to FY07.



- 8) Remove US-93, Lucky Strike Homestead Preservation, Key #9160, District 6. Because the project sponsor, the Salmon-Challis National Forest North Fork Ranger District, cannot meet the deadline for the Lucky Strike Homestead Preservation project in the FY06 Enhancement Program, it requested the removal of the project. Staff concurs and recommends removing the project. Total project costs are estimated at \$104,000 and federal aid withdrawn with this action is \$92,000.
- 9) Increase Transportation Enhancement Funding to Federal-aid Limit of \$500,000. On behalf of the Garden Valley Recreation District, staff requests increasing the federal-aid limit on the Garden Valley Trail project, key #9155, District 3, from \$388,000 to \$500,000. The project originally assumed donated right-of-way, and when the owner decided against this action, the project was rerouted. In order to design and build a facility with logical termini, the cost of the project is greater than originally anticipated. The sponsor has agreed to provide its portion of the \$57,000 in cash match. The off-set for the federal aid increase of \$112,000 comes from the withdrawal of the US-93, Lucky Strike Homestead Preservation project.
- 10) Adjust STP-Transportation Management Area Project Program Funding and STIP. The Community Planning Association of Southwest Idaho (COMPASS) determined that due to rapid increases in construction costs, several projects were under funded. It was determined that adjustments could be made to projects scheduled in out years in order to schedule partial advance construction conversions for the increased project costs in FY06. COMPASS requests revisions to the STIP to partially advance construct the following projects in FY06 with federal payback to occur in FY07 and FY08: Maple Grove, Franklin-Fairview, key #7192; Locust Grove Grade Separation, key #8048; and FY06 Ada County Highway District overlays, key #9502.
- 11) Supplemental Agreement for US-30, McCammon to Topaz and Lava Hot Springs to Fish Creek, Key #7749, District 5. Staff requests Board approval to execute a supplemental agreement for \$350,000 to complete right-of-way plans for the US-30, McCammon to Topaz and Lava Hot Springs to Fish Creek project. This will allow the District to purchase right-of-way in subsequent phases of the project. This supplemental agreement will bring the original agreement to more than \$1,000,000.
- 12) Supplemental Agreement for I-86, Chubbuck Interchange to Pocatello Creek Interchange, Key #7829, District 5. The estimated dollar amount for supplemental agreement #4 for the I-86, Chubbuck Interchange to Pocatello Creek Interchange project is \$130,000, which increases the total agreement amount to \$2,105,930. In accordance with Board Policy B-06-08, Professional Services Agreements, staff requests approval to execute this supplemental agreement.
- 13) Advancing Local Project, Sunnyside Road, Idaho Falls, Key #7979, District 6. The STP-Urban Committee requested that if additional funds are available during the year-end advance

and delay process, the \$5,481,000 programmed in FY10 for widening Sunnyside Road from Yellowstone to Holmes Avenue be considered the highest priority for funding.

14) Contract Award Information. Key #10437 – I-15, Osgood Girder Repair, District 6. Low bidder: Cannon Builders Inc. - \$99,803.

15) New and Supplemental Professional Agreements Report. From May 1 through May 31, the Consultant Administration Unit processed \$4,288,680 in professional, supplemental, and term agreements.

16) Utilization of Parametrix for Rest Area Program Management Services. Because existing staff resources were insufficient to manage the Rest Area Program, the Rest Area Asset Team hired Parametrix from the term agreement list to provide oversight on this Program. Staff provided historical information on the three consultant services agreements and elaborated on the tasks included in the agreements.

17) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section, a status of current legal cases, and a report on contract claims was presented.

Board Items. Vice Chairman Combo asked Chairman Bruneel to reestablish the Board Subcommittee on the Enhancement Program with Member McHugh, an FHWA representative, and himself. The Subcommittee was initially created to provide guidance on establishing the Enhancement Program when it was originated in the 1993 Intermodal Surface Transportation Efficiency Act. The Subcommittee was dissolved in 2001 with the understanding that the Board Chairman could reestablish it if deemed appropriate. Vice Chairman Combo said staff met earlier this month to review the program, including streamlining measures.

Member Sweeney spoke in support of the proposal, as he believes some issues need more Board involvement.

Member Sweeney made a motion to reestablish the Board Subcommittee on the Enhancement Program. Vice Chairman Combo seconded the motion.

Member McClure expressed concern that the Subcommittee would be micro-managing the Enhancement Program. He asked for information on the Subcommittee's goals. Vice Chairman Combo stressed that the Subcommittee would focus on policy issues.

The motion passed unanimously. Chairman Bruneel appointed Vice Chairman Combo and Member McHugh to the Board Subcommittee on the Enhancement Program.

Department Activities. Director Ekern presented a draft report on Connecting Idaho, as required in legislation. The Board will be provided additional drafts as they are prepared.

Director Ekern was in Salt Lake City earlier this week to commemorate the 50<sup>th</sup> anniversary of the national interstate system. Idaho was represented in the convoy traveling in Utah from its origination in California on its way to its Washington, DC destination. He commended District 5 staff for its efforts in participating in this historic event.

ITD staff has held discussions with FHWA and the Department of Fish and Game on streamlining and expediting the approval process of documents. Efforts to reduce costs and overall improvements to delivering projects are also being explored, according to Director Ekern. Additional information will be presented to the Board as staff refines this process.

Director Ekern reported that a statewide study was conducted to review Americans with Disabilities Act (ADA) compliance in the design and construction of highway projects. Equal Employment Opportunity Manager Karen Sparkman elaborated on the study. She identified several projects that did not meet compliance due to the design of wheel chair ramps and landings, sidewalk transitions, and obstacles in sidewalks. An action plan is being developed to address the ADA concerns.

Chairman Bruneel welcomed Representative Wood to the meeting.

AMVA Frew said a grant for almost \$800,000 was received from the Federal Motor Carrier Safety Administration to address border security issues. ITD is working with Idaho State Police on weigh-in-motion and a vehicle identification system at Porthill and East Port. He added that he has been pleased with the cooperation ITD has been receiving from various law enforcement entities on security issues.

Adopt-A-Highway. Vice Chairman Combo recognized the Veterans of Foreign Wars Post 7137, Arco as the District 6 2005 Adopt-A-Highway group of the year. He thanked the members for adopting two miles of US-20/26/93 and two miles of US-20/26. Vice Chairman Combo commended the Veterans for participating in the Program since 1990.

April 2006 Financial Statement Analysis. Controller Tolman said the total federal aid received was \$32 million or 12% less than projected through April. Revenue from the HDA was \$100,000, or .1%, ahead of the forecast. Revenue from both vehicle and truck registrations were above forecast while the fuel tax revenues were down 4% or more. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was more than spending projections by 3.6% and the state program was \$5 million ahead of last year due to more of the contracts ready for construction during the first part of the fiscal year.

Aviation fuel tax revenue for April was ahead of projections by .2%, or \$3,000. Miscellaneous revenue was 19% ahead of the forecast. Overall expenditures were less than budgeted. The Aircraft Operations Fund was ahead of the forecast by 3%. Expenditures were within budget projections.

2007 Proposed Legislation Concepts. Legislation and Policy Specialist (LPS) Tim Greeley summarized the legislative concepts being considering for the 2007 session. The legislative “IDEA” forms will be presented to the Board for approval next month, as those forms are due to DFM by July 28, 2006.

The Board suggested including a primary seat belt proposal and mandatory chain up legislation.

Summary of Administrative Rules for the 2007 Legislative Session. LPS Greeley presented the proposed administrative rule actions currently being considered for revision during the 2007 legislative session. To meet the Office of Administrative Rules’ schedule, rule changes must be approved by the Board by the August Board meeting.

Chairman Bruneel thanked LPS Greeley for the information on the two items.

Proposed Changes to Administrative Rules 39.03.11, 39.03.21, and 39.03.22. AMVA Frew requested revisions to several administrative rules. He elaborated on the proposed changes to Rules 39.03.11, Overlegal Permittee Responsibility and Travel Restrictions; 38.03.21, Permit Fees; and 39.03.22, Extra Length Vehicle Combinations.

On the proposed changes to IDAPA 39.03.11, Representative Wood acknowledged the traffic congestion occurring in the greater Boise area during commute times. She suggested the Department encourage major employers to change employee hours to alleviate congestion.

Vice Chairman Combo made a motion, seconded by Member McClure, and passed unopposed, to approve the following three resolutions:

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve requested changes to  
ITB06-27        administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule provides clarification to the industry on operational requirements and provides protection against the potential overstressing and overcrowding of the infrastructure.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended

changes to administrative rule IDAPA 39.03.11 – Rules Governing Overlegal Permittee Responsibility and Travel Restrictions, which:

- clarifies that high commuter traffic restrictions can be placed on interstate highways; and
- clarifies at what dimensions traffic control plans will be required and what information must be included in the plan; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate temporary rule making effective August 1, 2006 and proceed with regular rule making at the same time for the changes as listed above for administrative rule.

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve requested changes to  
ITB06-28        administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule will allow the Idaho Transportation Department to collect the appropriate permit fees to cover the cost of administering the permit program.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule IDAPA 39.03.21 – Rules Governing Special Permit Fees, which will increase all overlegal permit fees by \$15 per permit; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate regular rule making for the changes as listed above for the administrative rule.

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve requested changes to  
ITB06-29        administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule provides clarification to the industry on operational requirements and provides protection against the potential overstressing of the infrastructure.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule IDAPA 39.03.22 – Rules Governing Overlegal Permits for Extra-Length Vehicle Combinations, which clarifies that super single tires may only be used when the tire is at least 15” wide or wider; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate temporary

rule making effective July 1, 2006 and proceed with regular rule making at the same time for the changes as listed above for administrative rule.

Discussion was also held on a rule rejected by the House Transportation and Defense Committee in 2006 regarding the disposal of surplus real property. Representative Wood said some concern was expressed that governmental entities were given first option to purchase surplus property before the adjacent landowner was approached. Director Ekern concurred that the order of disposal was not clear. Staff will review that issue.

Technology Update. Ray Oldham, Computer Assisted Draft and Design (CADD) Manager summarized efforts underway to modernize the CADD system. The system upgrade should be completed in March, including training for staff.

Supplemental for Consultant Work by Keller Associates, US-95, Wyoming to Ohio Match Road, Hayden, Key #8065, District 1. District 1 Engineer Scott Stokes summarized the US-95, Wyoming to Ohio Match Road project, which includes constructing a four-lane divided highway. The project complements the GARVEE funded project, Garwood to Sagle. Total project development costs are between \$4 and \$5 million, although the project has been moved to the horizons in the draft STIP. DE Stokes requested approval for a supplemental agreement, estimated at \$901,000, for the consultant to continue working on this project. Funding is currently available for the requested supplemental; however, an additional \$2 million will be required in about 8 months and the additional funds have not been identified. DE Stokes added that the project is in partnership with local entities and developers.

Vice Chairman Combo made a motion to approve the resolution authorizing \$3 million to continue development of the US-95, Wyoming to Ohio Match Road project. Member McHugh seconded the motion.

Member Sweeney expressed concern with funding a project in the horizons. He thought the intent, based on yesterday's discussions, was to discontinue expending resources on projects that are not as high of a priority and may not be constructed. He would like the money identified for this US-95 project before approving the supplemental agreement.

DE Stokes requested an exception for this project due to the GARVEE project to construct four lanes between Garwood and Sagle, immediately north of the Wyoming to Ohio Match Road project.

In response to Member McClure's question on the urgency of Board approval, DE Stokes said delaying approval of the supplemental agreement may impact the delivery schedule. Member Sweeney asked where the money will come from. DE Stokes replied from the Sand Creek Byway

project for now. Mr. Haynes added that a lot of development is occurring in the US-95 corridor and local officials would like to know ITD's plans, as the transportation plans can facilitate the local entities' planning and development efforts.

Member McClure made a substitute motion to table the request for a supplemental agreement for the US-95, Wyoming to Ohio Match Road project until next month. Member Sweeney seconded the motion and it passed unopposed.

US-20, Ashton to Montana State Line Corridor Plan, Key #8459, District 6. District 6 Planner Bill Shaw provided the US-20 Corridor Plan from Ashton to the Montana State Line, including SH-87. The purpose of the plan is to document needs within the system. The process to develop the plan included significant public comment and collaboration and participation from local jurisdictions.

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

RES. NO. WHEREAS, the Idaho Transportation Board has adopted policies setting out the process by which corridor

ITB06-30 planning shall be undertaken by the Idaho Transportation Department;  
and

WHEREAS, the purpose of the US-20 Corridor Plan for US-20 from the Ashton Hill Bridge to the Montana state line and the SH-87 low volume corridor is to assess the condition of these routes and identify the necessary improvements to meet the corridor's system and user needs for the next twenty years; and

WHEREAS, the public involvement effort for the US-20 Corridor Plan was fully integrated into the overall planning process and structured in accordance with the ITD Public Involvement Guidelines. It included stakeholder interviews and workshops, four public workshops, three Transportation Advisory Committee meetings, along with a website, newsletters and media notices; and

WHEREAS, the Plan's goals are: accommodate the safe use of various traffic modes by providing safe access and decreasing animal/vehicle accidents; provide roadway improvements that are context sensitive; minimize adverse corridor impacts to the environment; enhance recreation support facilities; provide adequate and visible signage and traveler information; correct roadway deficiencies; and provide adequate, cost effective, low-impact winter maintenance; and

WHEREAS, the Plan's recommendations to meet the corridor's long-

term needs and goals fall into three categories: 1) build alternatives to address corridor deficiencies and satisfy needs; 2) corridor -wide improvement alternative; and 3) recommended policy changes that are designed to support the safe and efficient function of the US-20 corridor, the implementation of the US-20 Corridor Plan, and the management of growth along the corridor. These recommendations will help create a critical cooperative bond between ITD and the corridor's communities and residents for plan implementation and ongoing management.

*NOW THEREFORE BE IT RESOLVED*, that the Board adopts the US-20 Corridor Plan, accepts the plan as the primary basis for programming improvements and other recommended implementation strategies on portions of US-20 and SH-87 over the next 20 years, and recommends that the plan be updated as needed to assure that the document meets current needs; and

*BE IT FURTHER RESOLVED*, that staff is encouraged to work with local public and resource agencies to implement the US-20 Corridor Plan through coordination and joint agreements as appropriate.

East Idaho Corridor Loop Plan, Key #8621, District 6. District 6 Planner Shaw summarized the East Idaho Corridor Loop Plan, encompassing portions of US-93, US-20, SH-28, SH-22, and SH-33. A summary of the principal needs was provided.

Vice Chairman Combo made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO.      WHEREAS, the Idaho Transportation Board has adopted policies setting out the process by which corridor  
ITB06-31      planning shall be undertaken by the Idaho Transportation Department;  
and

WHEREAS, the East Idaho Corridor Loop Plan involves the review and planning for potential improvements to portions of US-93, US-20, SH-28, SH-22, and SH-33 in the eastern Idaho region; and

WHEREAS, the public involvement activities followed the ITD guidelines for low-volume corridor plans including twenty stakeholder interviews, two public open houses and workshops, along with a website, newsletters and media notices; and



WHEREAS, the Plan's goal is to address the needs of the transportation routes by reviewing the existing traffic, land use, and environmental conditions to improve the safety and physical characteristics of the roadway; to reduce congestion and animal collisions, and to support economic development, enhanced planning coordination, and improved bicycle/pedestrian facilities; and

WHEREAS, the Plan's recommendations meet the corridor's established needs and goals in the two general interrelated areas of policies and improvement projects. These recommendations will help to create a critical cooperative bond between ITD and the corridor's communities and residents for plan implementation and ongoing management.

*NOW THEREFORE BE IT RESOLVED*, that the Board adopts the East Idaho Corridor Loop Plan, accepts the plan as the primary basis for programming improvements on portions of US-93, US-20, SH-28, SH-22, and SH-33 over the next 20 years, and recommends that the plan be updated as needed to assure that the document meets current needs; and

*BE IT FURTHER RESOLVED*, that staff is encouraged to work with local public and resource agencies to implement the East Idaho Corridor Loop Plan through coordination and joint agreements as appropriate.

Term Agreement Dollar Limit Increase. Consultant Administration Engineer Fran Hood said the Department's term agreement process, as part of its qualifications based selection process, has provided an efficient mechanism to select consultants to provide services. It has also enabled the Department to confidently select consultants who have proven their qualifications through past performance and expedites the selection process. She requested approval to increase the term agreement limit because of increased project costs and to reduce the number of requests needing Board approval, which will expedite the process to secure consultants.

Member Sweeney expressed opposition to increasing the dollar amount, as he believes it is beneficial for the Board to review and approve the term agreements. Member Miller supported the request, which would reduce the number of items requiring Board approval.

Member Miller made a motion to approve the resolution requesting an increase in the term agreement limits to \$2 million for a two-year period with a maximum single work task of \$500,000 and a maximum accumulated amount of all professional agreements and work tasks on a single project of \$1 million. Member McClure seconded the motion.

Vice Chairman Combo believes the increase is too large. Chairman Bruneel concurred that the

proposal is a big policy change. He suggested the Board may want to retain the existing policy and watch the trend on out-sourcing.

Director Ekern stated that an internal team reviewed the process of obtaining and utilizing professional services. Increasing the term agreement dollar limit was one of its recommendations. Additionally, staff is planning a workshop later this year to discuss the utilization of consultants and suggested the Board may want to table this item until that time.

Member Sweeney made a substitute motion to table the request to increase the term agreement dollar limit until after the discussion on utilizing consultants later this year. Vice Chairman Combo seconded the motion and it passed 5-1 with Member Miller dissenting.

US-20 Thornton Interchange, Key #8454, Bear World Access, District 6. Assistant District 6 Engineer (ADE) Karen Hiatt summarized the efforts underway to address access issues at Yellowstone Bear World due to the construction of a new interchange and the closing of an existing at-grade intersection on US-20. She reported that Madison County plans to pursue a frontage road, connecting 5200 South to 4300 West. ITD will continue coordinating with the local entities on plans for this corridor.

Chairman Bruneel thanked ADE Hiatt for the update on the access issue.

Executive Session on Personnel and Legal Issues and other Matters Exempt from Public Disclosure, Section 67-2345(1) (a), (d) and (f), Idaho Code. Member Miller made a motion to meet in executive session at 11:55 AM to discuss personnel and legal issues and other matters exempt from public disclosure. Vice Chairman Combo seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on pending litigation related to condemnations on the US-93, Twin Falls Alternate Route and US-95, Sandpoint to Kootenai Cutoff projects and access near I-84 and SH-55.

A general discussion was held on personnel and other matters exempt from disclosure related to ongoing contract negotiations.

The Board came out of executive session at 2:00 PM. No decisions were made.

Delegation – City of Idaho Falls. Idaho Falls Mayor Jared Fuhriman thanked the Board for its time. He believes the Sunnyside Interchange and Sunnyside Road widening projects will be valuable assets to the community. The city is concerned that congestion will be a problem on the city's two-lane road once the new interchange is open because the highway to the east and west

of that two-mile section is five lanes. The Sunnyside Road widening project is currently scheduled in 2010. All of the right-of-way has been acquired except two parcels. Mayor Fuhriman expressed concern with the continued escalating costs of construction materials and asked the Board to consider expediting construction of the Sunnyside Road project. He stated that the City of Idaho Falls does not have the funds available at this time to construct the project and be reimbursed later. He expressed appreciation to DE Cole and his staff for the assistance they have been providing.

Vice Chairman Combo told Mayor Fuhriman that the Board endorsed the STP-Urban Committee's request to advance the Sunnyside Road widening project at the end of this fiscal year if funds become available. Mayor Fuhriman appreciated that gesture.

Update from Communications Team. DE Cole reported on efforts to address concerns related to the lack of or insufficient cell phone coverage in the state. A team was established to review the current state of mobile communications, identify other ongoing initiatives that may overlap with the team's goals, review past successes in statewide communications, identify areas for future successes, and address the issue on a statewide basis. Due to the efforts of the Statewide Interoperability Executive Council, DE Cole said the team decided to concentrate on call box technology. District 6 will install a call box on US-26 near the Wyoming border and will determine if call boxes should also be placed in other areas. Specifications to be used statewide will also be developed as part of the Team's efforts.

Chairman Bruneel thanked DE Cole for the informative report.

CARS 511/Web (Traveler Services System Advisory Council). Public Affairs Officer (PAO) Jeff Stratten provided background on the Department's efforts to implement the national 511 traveler services system. The Idaho Traveler Services System Advisory Council prepared recommendations for enhancing the system.

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

RES. NO.        WHEREAS, the Idaho Transportation Board has established the Traveler Services Advisory Council (TSAC) TB06-32        to provide input to the Board as it sets policy and provides strategic oversight of the traveler services system; and

WHEREAS, the TSAC met with the Idaho Traveler Services Management Team on May 10, 2006; and

WHEREAS, the Idaho Traveler Services Management Team presented the TSAC

with a fiscal year 2007 budget limit of \$500,000 and a list of proposed system changes and enhancements; and

WHEREAS, the TSAC recommended that the Idaho Transportation Department pursue the following proposed enhancements totaling \$500,000:

- Additional enhancements to CARS 511 phone system
- CARS 511 call center improvements
- Next generation CARS web
- Automated notification from CARS
- Mileage calculator and route summary
- Ongoing minor system enhancements; and

WHEREAS, the TSAC also recommended focusing on the following longer term enhancements:

- Automated notifications for the public and commercial vehicle operators
- Development and implementation of CARS 4
- Remote data entry from ITD maintenance vehicles; and

WHEREAS, the TSAC also recommended that its membership be expanded by the addition of a representative from the Ada County Highway District.

*NOW THEREFORE BE IT RESOLVED*, that the Board does hereby accept the recommendations of the Traveler Services Advisory Council and directs the Traveler Services Management Team to implement the recommendations.

Contract Awards. CE Hutchinson said the low bid on ST-2846(614), key #8262 – US-30, Twin Falls Main Canal Bridge #1, Twin Falls County, District 4, was more than ten percent over the engineer's estimate, requiring justification. The major difference between the engineer's estimate, which was based on three recent bids in the District, and the low bid were in two traffic control items: SP Rent Impact Attenuator and SP Rent Port Traffic Signal. Staff recommends awarding the contract and will identify an offset for the increased cost of the project.

Member McClure made a motion to award the contract on key #8262 to the low bidder: Cannon Builders Inc., Blackfoot, Idaho - \$416,359.60. Member Miller seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on A010(013), key #10013 – District 6 FY07 Sealcoats, Bonneville and Jefferson Counties, was more than ten percent over the engineer's estimate, requiring justification. Two items account for some of the difference: CRS-2R and Methyl Methacrylate. Estimating the cost of CRS-2R in the rapidly changing oil and fuel market is

difficult and the engineer's estimate was low. The District does not believe a significant savings would result in re-advertising the project and recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #10013 to the low bidder: H-K Contractors Inc., Idaho Falls, Idaho - \$2,026,512.96. Member McClure seconded the motion and it passed unopposed.

The low bid on A009(937), key #9937 – Twin Falls Area Sealcoats, Twin Falls, Minidoka, and Jerome Counties, District 4, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the major difference in the low bid and the engineer's estimate was in Emulsified Asphalt and Mobilization. Every item was above the estimate by a small margin, likely a reflection of fuel escalation. The District does not see an advantage in re-advertising the project because the escalation in prices is of a global nature. Staff believes this pavement maintenance project is urgent, as it will extend the service life of the roadway and minimize future expenditures, so it recommends awarding the contract.

Member McHugh made a motion to award the contract on key #9937 to the low bidder: Kloefer Inc., Paul, Idaho - \$1,504,006.59. Member Miller seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on A010(012), key #10012 – District 2 FY07 Sealcoats was more than ten percent over the engineer's estimate, requiring justification. The source of the engineer's estimate was the Bid History Price Report within the Estimator program, the Average Unit Price Report for similar jobs within the District, and information received prior to the bid about the increasing cost of asphalt. The majority of the difference was in a number of Seal Coating items and Mobilization. Staff believes the higher costs of these items are associated with the higher fuel costs involved in hauling the seal coat rock from the commercial sources, as well as the lack of competition in this market. Rebidding the project is not likely to result in more competition or a decrease in costs; therefore, staff recommends awarding the contract.

Member Sweeney made a motion to award the contract on key #10012 to the low bidder: Poe Asphalt Paving, Inc., Lewiston, Idaho - \$1,177,394.40. Member McClure seconded the motion and it passed unanimously.

The low bid on NH-4110(150), key #8611 – Washington Street; 8<sup>th</sup> to 1<sup>st</sup>, Moscow, Latah County, District 2, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the source of the engineer's estimate was the Bid History Price Report within the Estimator program and the Average Unit Price Report for similar jobs within the District. The following bid items make up the majority of the differences: Excavation (CY), PL Mix Pav Incl Asphalt and Add (TON), Urban Conc Pav (SY), Maturity Testing for Concrete Pavement (LS), and Pavement Reinforcement Geotextile (PRG) (SY). Staff believes the higher costs with these

items are associated with higher fuel costs, continued escalation in materials costs, and the lack of competition in this market. It does not believe rebidding will result in more competition or a decrease in cost and recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #8611 to the low bidder: Acme Concrete Paving Inc., Spokane, Washington - \$1,440,000.01. Member Sweeney seconded the motion and it passed unopposed.

Member Miller made a motion to award the contract on NH-3340(109), key #9106 – US-20, Milepost 112.9 to Milepost 124.63, Elmore County, District 3, to the low bidder: Central Paving Company Inc., Boise, Idaho - \$3,975,434.23. Member McClure seconded the motion and it passed unopposed.

Vice Chairman Combo made a motion to award the contract on NH-6500(120), key #9567 – US-26, Irwin to Wyoming State Line, Bonneville County, District 6, to the low bidder: H-K Contractors Inc., Idaho Falls, Idaho - \$5,830,284.12. Member Miller seconded the motion and it passed unopposed.

Member Miller made a motion to award the contract on A010(455), key #10455 – US-30, Topaz to Lava Hot Springs, Bannock County, District 5, to the low bidder: Western Construction, Inc., Boise, Idaho - \$18,336,908.14. Member McClure seconded the motion and it passed unanimously.

CE Hutchinson said the low bid on A010(009), key #10009 – US-20, Ashton to Dumpground Road, Fremont County, District 6, was more than ten percent over the engineer's estimate, requiring justification. Some of the differences between the engineer's estimate and the low bid were in Pav Marking Thermoplastic, Shoulder Rejects, Cover Coat Material Class B, and Plant Mix Pav Class I. The District believes it underestimated the cost of thermoplastic and that the single bidder was a factor in the high bid. It does not believe a significant savings would result in re-advertising the project and recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #10009 to the low bidder: H-K Contractors, Inc., Idaho Falls, Idaho - \$1,514,520.20. Member Sweeney seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on A009(936), key #9936 – SH-75, Airport Way to Ketchum, Blaine County, District 4, was more than ten percent over the engineer's estimate, requiring justification. The engineer's estimate was based on a prior micro-seal project. The items over the engineer's estimate were traffic control maintenance, yellow and white pavement markings, and thermoplastic pavement markings. Staff believes the high cost of paint pavement markings was caused by the subcontractor's heavy work load and secondly, the nature of the work will keep a

striping truck tied up on the project for about three weeks, but only applying a small amount of striping daily. Traffic control maintenance could be attributed to higher fuel cost. The project involves specialized equipment. Staff does not anticipate a savings if the project is re-advertised and due to the urgency of the project, recommends approval.

Member McClure made a motion to award the contract on key #9936 to the low bidder: Intermountain Slurry Seal, Inc., Salt Lake City, Utah - \$1,622,625. Member Miller seconded the motion and it passed unanimously.

Idaho Recreation and Tourism Initiative (IRTI) Memorandum of Understanding (MOU). Senior Transportation Planner (STP) Garry Young said ITD has been participating on the IRTI since the mid 1990s. The group's MOU has been updated to formally recognize ITD as an active player with this entity. The IRTI has helped fund the "Taking the Scenic Route" brochure that the Department publishes annually. Recreation and tourism related planning are also part of the group's responsibilities.

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

RES. NO.        WHEREAS, a Memorandum of Understanding (MOU) has existed since 1990 among various state  
ITB06-33        and federal agencies regarding the Idaho Recreation and Tourism Initiative (IRTI); and

WHEREAS, the focus of the IRTI is to promote tourism and recreation in the state of Idaho; and

WHEREAS, the MOU provides a framework of cooperation between and among various state and federal agencies in the attainment of recreation and tourism goals shared by these agencies; and

WHEREAS, the Idaho Transportation Department has been participating as a non signatory partner with the IRTI since 1993; and

WHEREAS, Idaho state highways have a direct impact on recreation and tourism in the state; and

WHEREAS, ITD annually publishes the "Taking the Scenic Route" brochure; and

WHEREAS, the IRTI has helped fund the "Taking the Scenic Route: A guide to Idaho's byways" brochure for over a decade.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the participation of ITD with the IRTI and authorizes the Director to sign the MOU.

2015 Statewide Rural Functional Classification System. STP Young presented the 2015 Statewide Rural Functional Classification System map. Staff works with local public agencies to determine the functional classification and delineation of urban boundaries to recognize long-range impacts on adjacent land use and be consistent with local comprehensive plans. STP Young said each District reviewed its highways to determine if functional classification changes are necessary, and no changes are being proposed.

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

RES. NO.        WHEREAS, Board Policy B-09-02, Functional Classification of State and Local Highway and Street Systems, ITB06-34        states that the Transportation Department Director will present an updated functional classification map of the State Highway System to the Idaho Transportation Board for approval in June of each year; and

WHEREAS, each District has reviewed its highways for any functional classification revisions; and

WHEREAS, no revisions to the statewide rural functional classification system have been recommended.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the 2015 Statewide Rural Functional Classification System, as shown as Exhibit 320, which is made a part hereof with like effect, with no changes from the previous year.

Chairman Bruneel welcomed Representative Joe Cannon to the meeting.

FY07-11 Draft STIP Process and Document. IPM Raino said the STIP is based on a transportation planning process that allows for public involvement and coordination with local governments and other agencies. The document is a priority list of projects and programs to be carried out during the next four years by ITD. This year the document is being revised to provide consistency in funding information with the Office of Transportation Investments' Capital Improvement Program. The 30-day public comment period is scheduled from July 7 through August 8.



Chairman Bruneel thanked IPM Raino for the report.

Department Activities, Continued. PAO Stratten provided information on ITD's media efforts in recognition of the 50<sup>th</sup> anniversary of the national interstate system.

PAO Stratten mentioned various awards that the Public Affairs Office won recently, including for the Department's annual report and a 511 media kit. He also reported on opportunities to enter American Association of State Highway and Transportation Officials (AASHTO) competitions to recognize projects. He showed a DVD prepared for the AASHTO annual conference summarizing initiatives that have been entered in competition awards, such as Towards Zero Deaths and installation of game tunnels in District 1.

Chairman Bruneel thanked PAO Stratten for the update on these activities.

ADA Simmons reported that the Department will be paying off earned administrative leave at the end of the fiscal year. DFM is concerned with the state's liability accumulating on this leave. ITD's payout will be approximately \$240,000. She also stated that some bills enacted in 2006 address employee issues. Staff will keep the Board updated as it learns more about those changes and the impacts to employees.

Old/New Business. The Board continued discussions on the FY08 budget. Director Ekern proposed three GARVEE bonding alternatives: 1) \$203 million for 13 corridors; 2) \$329 million for 6 corridors as approved in the first legislative bond approval; and 3) \$397 million for 8 corridors, the 6 as outlined in #2 plus US-95, Thorn Creek to Moscow, and US-93, Twin Falls Alternate Stage 2. Regarding the DMV initiative, he said staff will look at existing vacancies to determine if 18 additional FTEs are required and will also contact the Department of Health and Welfare because it does similar work on document verification.

The Board expressed support to continue the CEC initiative and to fund the equipment replacement. It believes Aeronautics' cash balance will be sufficient in FY08, but that the issue will need to be revisited in FY09. It also suggested that the District 5 facility is a lesser priority. Discussions were also held on funding high priority projects and the use of the state aircraft pool. No decisions were made on either subject.

Director Ekern said the Board's comments on the budget will be incorporated into the final document that will be presented for approval.

Representative Cannon said he is stepping down from the legislature. He said it was a pleasure serving on the House Transportation and Defense Committee, and he enjoyed working with the Board and Department. He thanked the Board for its service to the state.

Chairman Bruneel thanked Representative Cannon for his kind remarks.

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

RES. NO.        WHEREAS, the staff of the Idaho Transportation Department has received an ITB06-35        offer to settle the case of *State v. Poleline Properties, LLC* for \$700,000 including interest, costs and attorney fees; and

WHEREAS, this total settlement in the amount of \$700,000 is just compensation for the property taken for the right-of-way acquisition in the US-93, Twin Falls Alternate Route, Stage 1 project in Twin Falls County, District 4.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$700,000 as just compensation for acquisition of the real property taken and/or damaged in the case of *State v. Poleline Properties, LLC*.

Member McClure made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO.        WHEREAS, the staff of the Idaho Transportation Department has received an ITB06-36        offer to settle the case of *State v. North Pointe, LLC* for \$580,000 including interest, costs and attorney fees; and

WHEREAS, this total settlement in the amount of \$580,000 is just compensation for the property taken for the right-of-way acquisition in the US-93, Twin Falls Alternate Route, Stage 1 project in Twin Falls County, District 4.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$580,000 as just compensation for acquisition of the real property taken and/or damaged in the case of *State v. North Pointe, LLC*.

Member McHugh made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO.        WHEREAS, the staff of the Idaho Transportation Department has received an ITB06-37        offer to settle the case of *State v. Thompson* for \$396,674.50, which is the amount previously paid to the Defendants on February 25, 2005 for possession of their property. This settlement includes interest, costs and attorney fees; and

WHEREAS, this total settlement in the amount of \$396,674.50 is just compensation

for the property taken for right-of-way acquisition in the US-95, Sandpoint to Kootenai Cutoff project in Bonner County, District 1.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$396,674.50 as just compensation for acquisition of the real property taken and/or damaged in the case of *State v. Thompson*.

Member McClure stated that due to Vice Chairman Combo's appointment to the Board Subcommittee on the Enhancement Program and his request to step down from the Board Subcommittee on Adjustments to the State Highway System, another member will need to be appointed to that Subcommittee. Chairman Bruneel said he would like to visit with Member McClure about the Subcommittee on Adjustments to the State Highway System before making an appointment to that group.

Executive Session on Personnel Issues, and other Matters Exempt from Public Disclosure, Section 67-2345(1)(a) (d), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 4:30 PM to discuss personnel and other matters exempt from public disclosure. Member McClure seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion continued on personnel and other matters exempt from public disclosure related to ongoing contract negotiations.

The Board came out of executive session at 5:50 PM. No decisions were made.

WHEREUPON the Board recessed at 5:50 PM.

June 22, 2006

The Board reconvened at 8:15 AM on Thursday, June 22, 2006, in Idaho Falls, Idaho. All members were present except Gary Blick and John McHugh. Director Ekern was also absent.

District 6 Tour. The Board departed Idaho Falls south on I-15 to the Sunnyside Interchange under construction. It traveled east on the local system, including Sunnyside Road, to US-26. The tour continued east to Garden Creek. Matt Woodard, Trout Unlimited representative, summarized a partnership project with ITD to facilitate fish passage from Garden Creek to the Snake River. He thanked DE Cole and his staff for the assistance it provided on this important project.

The Board traveled west on US-26 and SH-48 and on local routes to US-20. After viewing the access issues at Yellowstone Bear World, the Board returned to Idaho Falls via US-20 west. Staff summarized various projects during the tour.

Public Meeting on the Forum on Transportation Investment (FTI). Chairman Bruneel asked Vice Chairman Combo to preside. Vice Chairman Combo welcomed the participants to the FTI meeting and introduced the Board and key staff members.

FTI Chairman Jim Kempton and Consultant Tom Warne summarized the purpose, activities, and findings and recommendations of the FTI. Public comments were then received followed by a question and answer period.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:55 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
July 21, 2006  
Coeur d'Alene, Idaho

REGULAR MEETING AND DISTRICT ONE TOUR  
OF THE IDAHO TRANSPORTATION BOARD

July 20-21, 2006

The Idaho Transportation Board met at 7:15 AM, on Thursday, July 20, 2006, in Coeur d'Alene, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General

Representative Marge Chadderdon was also present.

Breakfast Meeting. Kootenai Metropolitan Planning Organization (KMPO) Chairman Lynn Humphreys welcomed the Board to northern Idaho. Director Ekern thanked the KMPO officials for the meeting, as it is beneficial to meet with local officials throughout the state and it is important for them to be engaged in transportation. He mentioned activities at the national level to prepare for the next reauthorization act and the commissions that have been established to address issues such as funding. He indicated the Board's activities are similar, as it has to be fiscally responsible.

Director Ekern explained the changes to the Statewide Transportation Improvement Program (STIP). Information on all of the modes and funding details for the projects are now included in one document. The Preliminary Development category has been replaced with Horizons. The Districts will continue working with local officials on planning and delivering projects. The draft STIP, available for public review and comment at this time, will be presented to the Board in September for approval.

Chairman Bruneel said he is looking forward to working with KMPO. He stressed that the Board is limited by available funding and the transportation needs throughout the state are so much greater than the funds available. The Department's projects are also impacted by the increasing costs of material such as oil and steel, reducing the buying power. Chairman Bruneel said the Board has difficult decisions to make as it prioritizes the statewide needs.

District 1 Tour. The Board departed Coeur d'Alene north on US-95. It traveled local roads and US-95 south to the City of Hayden.

Delegation – City of Hayden. City Manager Jay Townsend welcomed the Board to Hayden. He requested funding for the US-95 and Lancaster interchange. He said the intersection is a significant part of the area's transportation system, but is inefficient and has safety concerns. An interchange would provide a critical east-west route for the growing community. In conclusion, City Manager Townsend said there are a number of partners ready to provide assistance with this important project.

Member McHugh acknowledged the importance of an intersection at this location.

KMPO Director Glenn Miles expressed concern with the proposal to close unsignalized medians on US-95 between Coeur d'Alene and Hayden. Based on a computer assimilation of the proposal, closing the medians would not have a significant impact on the traffic problems. He believes improving the local parallel routes, Ramsey Road and Government Way, would be a better option. City Manager Townsend believes that closing the US-95 medians would have significant negative impacts to the area, and he asked the Board to work with the communities on this issue.

In response to Director Ekern's question on the cost of the proposed Lancaster interchange and the funds identified, District Engineer Scott Stokes said the locals have committed about \$7.5 million for the project estimated at \$20 million.

Director Ekern acknowledged the need for the Lancaster interchange due to the growth in the area and the great partnership that has been established for this project. He stated that developing and implementing the STIP is about partnerships and being fiscally responsible with the funds available. The Forum on Transportation Investment has identified a shortfall of \$200 million annually for transportation in the state.

The tour continued on local roads and SH-41 to the City of Post Falls.

Delegation – City of Post Falls. Post Falls Mayor Clay Larkin thanked the Board for visiting Post Falls. Cliff Hayes, Chief of Police, mentioned the excellent relationship the police department has with other law enforcement agencies and ITD. Lieutenant Scot Haug elaborated on technology projects at the police department, such as the camera system and placing desktop computers in patrol cars. In conclusion, Chief of Police Hayes summarized its driving school. Violators are provided the option of going to driving school or receiving a citation. He believes the driving school is successful and the department has received positive comments on it.

DE Stokes thanked the delegation for the informative presentation and expressed appreciation for the excellent working relationship ITD has with the city and police department.

As Mayor Larkin traveled local streets with the Board, he provided information on the various developments underway or planned in the city. He also elaborated on the importance of an I-90 Greensferry Overpass and a new I-90 Beck Road interchange as the Board visited the approximate locations of those projects. The Board returned to Coeur d'Alene via I-90 east. It enjoyed an informal luncheon with District employees at the Coeur d'Alene maintenance shed.

Public Meeting: Forum on Transportation Investment (FTI). Chairman Bruneel welcomed the participants to the FTI meeting, then turned the meeting to Member McHugh. He recognized the various legislators in attendance and thanked the public for attending.

FTI Co-Chairman Mayor Tom Dale and Consultant Dwight Bower summarized the purpose, activities, and findings and recommendations of the FTI. Public comments were then received.

WHEREUPON the tour and meeting recessed at 3:20 PM.

July 21, 2006

The Board reconvened at 6:30 AM on Friday, July 21, 2006, in Coeur d'Alene, Idaho. All members were present.

Executive Session on Personnel Issues, Section 67-2345(1)(b), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 6:30 AM to discuss personnel issues. Member Sweeney seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on personnel issues related to the evaluation of ITD employees.

The Board came out of executive session at 7:40 AM. No decisions were made.

The Board reconvened at 8:15 AM in the ITD District 1 Office in Coeur d'Alene.

Chairman Bruneel welcomed Senators Shaun Keough and Joyce Broadsword and Representative George Eskridge to the meeting.

Board Minutes. Member Sweeney made a motion to approve the minutes of the regular Board meeting held on June 20-22, 2006 as submitted. Vice Chairman Combo seconded the motion and

it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

August 16-17, 2006 – District 3

September 20-21, 2006 – District 5

October 17-18, 2006 - Boise

Consent Calendar. Member McClure made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-39 approves the addition of I-84, Snake River Bridge Westbound, Glens Ferry, District 4, to FY07 Board Unallocated Program and has received and reviewed the contract award information, the annual report of state railroad grade crossing protection funds, the administrative settlements of right-of-way acquisitions, the summary of FY06 items submitted to the Board of Examiners, and the May financial statement analysis.

1) Addition of I-84, Snake River Bridge Westbound, Glens Ferry, District 4, to FY07 Board Unallocated Program. Recent bridge inspections discovered fatigue cracking in the steel girder web of the westbound I-84, Snake River Bridge at Glens Ferry. The superstructure of this bridge is classified as fracture critical because only two deep longitudinal girders support the loads. Catastrophic failure could occur should the girders fracture as a result of the observed cracking. Staff recommends repairing the bridge immediately at an estimated cost of \$150,000 with Board Unallocated funding. The Board Unallocated fund has a balance of \$1,990,000.

2) Contract Awards. Key #8974 – I-15, Deep Creek Interchange to Devil Creek Interchange, Oneida County; key #8978 - US-30, Sunnyside Road to Lund; and key #8979 – US-30, Nounan Road to Wright Road, Georgetown, District 5. Low bidder: Snake River Construction, Inc. - \$1,198,928.

Key #10007 – US-20, Idaho Falls to Rigby, Southbound Lane, District 6. Low bidder: H-K Contractors, Inc. - \$1,921,827.

Key #8837 – US-91, Chapel to Flandro, District 5. Low bidder: Jack B Parson Companies - \$585,900.

Key #8950 – I-184, Curtis Road Underpass, Boise, District 3. Low bidder: RSCI - \$862,225.

Key #9810 – Pavement Marking Removal Ada and Canyon Counties, District 3. Low bidder – Pavement Markings Northwest, Inc. - \$59,204.



3) Annual Report on Railroad Grade Crossing Protection Account. The balance in the Railroad Grade Crossing Protection Account as of June 21, 2006 was \$1,095,930; however, \$1,070,930 has been obligated. A Railroad Crossing Signal Upgrade Program is planned for state fiscal year 2007, plus a transfer of \$25,000 to the Office of Traffic and Highway Safety for administration of Rail-Highway Safety Education Grants. In 2005, there were 21 total rail/highway collisions with no fatalities.

4) Administrative Settlements of Right-of-Way Acquisitions. During the first half of 2006, the Right-of-Way Section processed 71 parcels. There were 6 administrative settlements during this time frame, or 8%.

5) Summary of FY06 Items Submitted to the Board of Examiners. ITD submitted a request to the Board of Examiners to lift the vacation cap for a new employee hired from Boise State University (BSU). The vacation cap that professional employees at BSU have is higher than that allowed for non-educational state agencies for those employees who have less than five years of service. The lifting of the cap was for three months, during which time the employee used enough vacation time to reduce the balance below the state maximum. The request was approved. A request authorizing an increase to the amount of relocation assistance allowed under current state policy for a Senior Transportation Planner in District 1 was submitted. This increase, from the current policy of \$5,000 to \$7,000, was also approved. Additionally, the Moving Expense Report for 2005 was submitted in accordance with the State Moving Policy.

6) May Financial Statement. Total federal aid revenue was \$47 million or 15% below projections through May. Revenue from the Highway Distribution Account was \$800,000 or .48% less than anticipated. Expenditures were less than budgeted. In Contract Construction, the federal program was more than spending projections by 1%. The state program was \$3.5 million ahead of last year.

Aviation fuel tax revenue through the end of May was \$13,000 or .9% less than projections. Miscellaneous revenue, including air pool operations, was 15% ahead of forecast. Federal revenue is over \$1 million less than collected last year due to no federal expenditures processed this fiscal year. Overall expenditures were less than estimated due to federal grant awards not occurring.

Delegation – City of Dover. Dover City Councilman Jim Janish said the City of Dover is one of the fastest growing areas of the state. Its main route, US-2 is a major east-west corridor. He appreciates the good working relationship the city has established with Member McHugh, DE Stokes, and the ITD staff; however, he relayed frustration with the removal of the US-2, Dover Bridge project from the STIP. The community is concerned with the safety of the bridge. He added that the project is designed, ready for construction.

Member McHugh explained that the project is in a Horizon, which is essentially the former Preliminary Development. If funds become available, the project will be constructed. Chairman Bruneel thanked Councilman Janish for his comments and noted the importance of the Dover Bridge project.

Board Items. Vice Chairman Combo mentioned the new federal Safe Routes to School (SRTS) Program and the related policy the Board approved in February. The SRTS coordinator had not been hired when Vice Chairman Combo put this item on the agenda; however, yesterday he was informed that Josephine O'Conner will be the coordinator for this Program.

Member Blick mentioned the recent lane closure on the US-93 Perrine Bridge for a charity event involving Bridge, Antennae, Structure, and Earth (BASE) jumping. The District has since received a request to attach a swing to the bridge. He believes these types of requests will increase and he suggested the Board revisit this overall issue and provide guidance to staff when it receives these requests.

Vice Chairman Combo said an earlier Deputy Attorney General's opinion suggested the Board not get involved in those requests.

Member McHugh said he saw a pedestrian crossing in another state recently that indicated how many seconds the pedestrian had to cross the street. He suggested staff look into that type of crossing device in Idaho.

Chairman Bruneel welcomed Representative Chadderdon to the meeting.

Department Activities. District 4 Engineer Devin Rigby reported on the BASE jumping event earlier this month that closed one lane of traffic on US-93. Traffic backed up occasionally, although there were no major problems. He commended the Twin Falls Police Department for its traffic control efforts. The Department collected a \$50 application fee, but had more expenses than normal. There were some complaints about the lane closure. DE Rigby said if a similar event is held in the future, Twin Falls and Jerome Counties should be involved and more communication should be held with the county officials.

Member Blick said he received a phone call from former Governor Andrus regarding the status of the landscaping project at the intersection of SH-21 and SH-74. DE Rigby said the paperwork has been submitted and a check is being processed for that project.

Adopt-A-Highway. Member McHugh acknowledged the Flexcel Customized Manufacturing Solutions employees for participating in the Adopt-A-Highway Program. He said the Board

appreciates the assistance they provide to the state by picking up litter on I-90 from milepost 0 to 1. He added that the group began participating in the program in 1996.

Department Activities, Continued. CE Hutchinson reported on an official process established to utilize in-house staff instead of consultants, if possible. He said District 2 employees will be working on projects for other Districts, and added that consultants will still be utilized, especially for specialized work.

The Board commended CE Hutchinson for implementing this official process.

Delegation – Governor Jim Risch. Governor Risch said he has been briefed on the Department's various initiatives and commended the Board for its efforts. He acknowledged the funding concerns and expressed support for GARVEE bonds. Governor Risch realizes utilizing GARVEE bonds is a new way of doing business and that the Legislature is watching this program closely and will want to stay informed on its progress. He also said he has heard concerns from others about the new Horizons that replaced Preliminary Development in the planning process. In conclusion, he thanked the Board members for their service to the state and expressed appreciation for their efforts.

Chairman Bruneel thanked Governor Risch for attending the meeting and for his remarks. He said some comments have been received regarding using the state's general fund surplus for transportation projects.

Governor Risch outlined his intent for the \$200 million surplus, including property tax relief and education. Approximately \$50 million will be available for other issues and he indicated that transportation can compete for the surplus funds.

Presentation – Idaho's Tax Structure. Dan John, Tax Policy Manager, Idaho State Tax Commission, provided information on the state's tax structure. The majority, 32%, of state and local tax revenue received in FY05 was from property taxes, followed by sales tax, 29%; and individual income tax, 27%. Motor fuel tax was 6% of the state's revenue. Education received 63.7% of the FY05 general account appropriations, with the Department of Health and Welfare receiving 20.6%, and the rest of the general fund agencies receiving 15.7%.

In comparing Idaho's fuel tax and vehicle registration rates with other states, it was noted that other states' transportation revenue such as personal property taxes on vehicles, are not included in the information. Member Sweeney asked if Mr. John has information on all revenue available for transportation. Mr. John said he did not have that information, but could obtain it.

Chairman Bruneel thanked Mr. John for the informative presentation.

Median Closures on US-95, Appleway to Wyoming Avenue, District 1. When US-95 north of I-90 was reconstructed in 1974 as a divided, four-lane highway, all private approaches were eliminated, but specified public approaches on a spacing that varies between ¼ and ½ mile were allowed, according to DE Stokes. As growth occurred in the area, traffic signals have been installed at some locations as a means to protect the safety of the intersections; however, these traffic signals have also created an obstacle to the free flow of traffic, resulting in traffic back ups and congestion. The average daily traffic has increased from 5,200 in 1974 to between 25,000 and 37,000 in 2005. Three of the unsignalized intersections are on the top 10 High Accident Location list in District 1. A proposal is being considered to close the unsignalized intersections on US-95 between Appleway and Wyoming Avenue. Although DE Stokes acknowledged the need to keep traffic moving and address operational and safety concerns on the corridor, he said ITD needs to work with local entities on this issue.

In response to Member Sweeney's question on the route's designed traffic volume, DE Stokes responded that he believes the route has reached capacity. Member Sweeney asked if an additional lane in each direction would alleviate capacity concerns and what other options may be available. DE Stokes replied that additional lanes would help keep traffic moving and increasing the traffic capacity of parallel local streets would also help. If no action is taken, safety will be compromised and more traffic signals may be necessary.

Member McClure said it appears the Department has additional right-of-way along the corridor. He asked if a frontage road of some type might be an option. DE Stokes said that option may be feasible and staff can explore it.

City of Hayden Councilman Chris Beck said closing medians would split the City of Hayden in half, negatively impacting businesses. He acknowledged the traffic concerns along the highway, but believes ITD should work with local communities on this issue.

Dixie Reed, City of Coeur d'Alene Councilmember, thanked District 1 for the great partnership it has established with the City of Coeur d'Alene and other communities in the area. She stressed the desire to work with the Department to solve the US-95 traffic concerns. She said the major arterial is important to the economy. There is a corridor study underway that is intended to redirect traffic from US-95 to a Huetter alternative. She asked for an opportunity to work with ITD on the median closure proposal.

Steve Ridenour, representing local businesses, opposed closing unsignalized medians without conducting a study. He acknowledged the safety concerns, but does not believe the Board's decision should be based on emotions. Although he does not have a solution, he would like to work together with the Department to discuss the issues and determine the best solution. He

questioned the research that has been done to substantiate the closure, how it may affect airport operations, how it would affect emergency response times, and whether the adjacent road systems could support the increased traffic that would result from the intersection closures.

Chairman Bruneel thanked the representatives for their testimony.

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

RES. NO.        WHEREAS, US-95 was reconstructed in 1974 as a four-lane, divided highway;  
ITB06-40        and

WHEREAS, public perception at that time focused on a limited access highway with free-flowing mobility; and

WHEREAS, the initial design of the highway accommodated a 70 mile per hour (mph) speed limit, but due to increasing traffic demand the speed limit now ranges between 35 mph and 55 mph along the urban corridor; and

WHEREAS, ten traffic signals have been installed between Appleyway and Wyoming Avenue, mainly due to safety concerns stemming from the increasing traffic load on the highway and local road system; and

WHEREAS, it is increasingly more difficult to maintain speed at the posted speed limits due to the traffic signals and traffic entering the highway from unsignalized intersections, which have become increasingly dangerous and obstructive to through traffic; and

WHEREAS, unsignalized intersections with open medians are more conducive to an increasing number of crashes; and

WHEREAS, a high growth rate along the US-95 urban corridor will cause increasing pressure to signalize most of the current unsignalized median crossings, creating a significant impact on the mobility and efficient flow of traffic on a state highway; and

WHEREAS, local units of government have acquired and maintained a vested interest in the safe and efficient operation of US-95 and the adjacent local road system.

*NOW THEREFORE BE IT RESOLVED*, that, in cooperation with local units of government and the Kootenai Metropolitan Planning Organization, a long term plan

to increase mobility on US-95 from I-90 to Wyoming Avenue, including median closures, be developed by the Idaho Transportation Department; and

*BE IT FURTHER RESOLVED*, that this plan be presented to the Idaho Transportation Board not later than June 30, 2008.

Delegation – Sandpoint Regional Connector. Steve Potter proposed constructing a tunnel to move traffic through the City of Sandpoint as an alternative to the US-95, Sand Creek Byway project. A preliminary study indicated the tunnel is a feasible option with a comparable cost to the Byway project. He has safety concerns with the proposed Byway due to the fact that it is not a separated or divided highway, and he is also concerned with the visibility of the structure. He asked the Board to complete its own feasibility study of a tunnel.

Chairman Bruneel commended Mr. Potter for his thorough presentation. Member McHugh emphasized his commitment to the Sand Creek Byway project.

Delegation – City of Sandpoint. Sandpoint Mayor Ray Miller emphasized the City of Sandpoint's continued support for the Sand Creek Byway project. He appreciates the good working relationship the City has with Member McHugh and ITD staff, but is concerned with the Horizons. Several projects that are important to the area, such as the US-2, Dover Bridge and US-95, Sandpoint to Kootenai Cutoff projects, have been removed from the STIP.

Member McClure explained that the Horizons replace Preliminary Development and that Preliminary Development has never been an official part of the STIP, so technically there were no changes to the placement of these projects. He added that the FTI has identified a \$200 million annual shortfall in transportation funding and that it is difficult to prioritize the state's transportation needs with limited funding.

Delegation – City of Ponderay. Ponderay City Clerk Nancy Piatt expressed support for the Sand Creek Byway project and encouraged the Board to construct it as soon as possible. She stated her opposition to a tunnel through Sandpoint. She also expressed concern with projects that have been removed from Preliminary Development and placed in a Horizon.

Member Sweeney stated that the STIP is currently a draft. The Board will approve it in September. Member Miller emphasized that the Department's buying power has decreased in the past couple of years due to inflation. Revenue is a major concern.

Delegation – Bonner County Area Transportation Team (BCATT). BCATT Chairman Karl Dye welcomed the Board members to northern Idaho and thanked them for their service to the state. BCATT supports the Sand Creek Byway project. It works cooperatively with Member McHugh

and ITD staff on the area's transportation priorities, but the Team is concerned with the placement of some high priority projects in the Horizons.

Chairman Bruneel believes the Horizons are a more realistic approach to identifying projects that will be constructed in the future. He believes less resources will be wasted on projects that will never be funded. He thanked BCATT Chairman Dye for his comments.

BCATT Chairman Dye expressed his desire to work with ITD on transportation projects and to provide support on funding issues.

Delegation – Ponderay Community Development Corporation (PCDC). PCDC Executive Director Marcella Nelson said PCDC supports its partners, the previous three delegations, and their projects. Representative Eskridge welcomed the Board to northern Idaho and said he has enjoyed working with it in the legislature. He also expressed concern with the Horizons and that several important projects in northern Idaho have been removed from the STIP. He said the legislature was told that no projects would be removed from the STIP if it approves the GARVEE bonds. He also indicated that the Department should have been focusing on its funding crisis instead of pursuing GARVEE bonds.

Member Sweeney asked Representative Eskridge how he would address the issue of ITD's decreasing buying power with flat revenue. Representative Eskridge reiterated his concern that the legislature was told GARVEE bonds would save money on inflation and would not impact projects in the STIP, but neither seems to be the case. He expressed interest in visiting further with the Board on its revenue concerns. He suggested the Department develop an informational package on the Horizons, as the public does not understand the new program.

Delegation – City of Post Falls. Post Falls Mayor Clay Larkin thanked the Board for visiting Post Falls yesterday. He acknowledged the earlier presentations on the necessity of a US-95 and Lancaster interchange and Dover Bridge project, but said ITD has been working on the I-90 Greensferry Overpass, key #8920, for a long time. Post Falls has grown considerably and the traffic situation needs to be addressed. Mayor Larkin emphasized the community's support for the project and recognized numerous Post Falls residents in attendance in support of the Overpass project. He believes the project is necessary to accommodate emergency services and economic development, and requested the Board's commitment to the project. At a minimum, he encouraged the Board to complete the I-90 access study currently underway.

Member Blick acknowledged the need for the Greensferry Overpass, as well as the numerous other transportation needs throughout the state. Due to funding constraints, the Board has difficult decisions as it prioritizes the valid projects. Chairman Bruneel thanked Mayor Larkin for his testimony and said the Board will take his comments under advisement. He added that the Board

is responsible to administer the funds the legislature provides.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code. Member Blick made a motion to meet in executive session at 12:35 PM to discuss personnel and legal issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on pending litigation related to access near I-84 and SH-55 and a condemnation on the US-93, Twin Falls Alternate Route, Stage 2 project.

A general discussion was held on personnel issues related to the evaluation of ITD employees.

The Board came out of executive session at 1:45 PM. No decisions were made.

Delegation – Sandpoint Area Walk to School Program. Molly O’Reilly summarized Sandpoint’s Walk to School Program and growing efforts to promote children walking to school. A study estimated that 20% of morning traffic is parents driving children to school. If some of that traffic could be eliminated, it would reduce congestion and provide a safer environment for students to walk or bike to school. She is pleased with the establishment of the Safe Routes to School Program and hopes it will result in more communities promoting walking to school. In conclusion, she encouraged the Board to include sidewalks when designing and constructing highway projects.

Director Ekern emphasized that the new federal Safe Routes to School Program is a reimbursement program, not a grant. Chairman Bruneel thanked Ms. O’Reilly for her efforts on this issue and her comments.

Delegation – Boundary County. Boundary County Commissioner Ron Smith mentioned the excellent working relationship the County has with DE Stokes, but expressed concern with the removal of the US-95, Mcarthur Lake project from the STIP. He requested the inclusion of the project to address safety concerns and added that the community supports the project.

Kootenai Tribal Chairman Gary Aitken, Sr. thanked the Board members for their time. He also expressed concern with the safety of US-95 in the Mcarthur Lake vicinity. He requested a wildlife corridor be included in the project. He also thanked the Department for establishing a government to government to relationship with the Tribe and for keeping it informed of projects.

Chip Corsi, Department of Fish and Game, said there is a lot of support for the Mcarthur Lake project. Due to the number of wildlife and vehicle collisions in that area, he encouraged the Board to construct the Mcarthur Lake project.



Chairman Bruneel thanked the delegation for its comments.

US-95, Worley North GARVEE Project, Key #7747, District 1. DE Stokes said the US-95, Worley North project is scheduled for construction in FY07 as a GARVEE project. The Coeur d'Alene Tribe has several issues with the project and other projects currently under construction. DE Stokes said the concerns vary, including cultural monitoring agreements, communication, information sharing, coordination, and wetland mitigation requirements. The Tribe has requested ITD fund at least one full-time Tribal employee for cultural monitoring. DE Stokes said the Department is currently reimbursing the Tribe for the cultural resource monitoring and has no intention of hiring or funding additional staff positions for the Tribe.

Trestle Bridge Collapse on St. Maries River Railroad, District 1. DE Stokes said a portion of the Benewah Bridge Trestle of the St. Maries River Railroad collapsed in April. The railroad is a common carrier short line owned and operated by Potlatch Corporation. The route is approximately 71 miles and has a junction with the Union Pacific Railroad at Plummer. Benewah County issued a disaster declaration on May 8, 2006 that was confirmed by the Governor on May 16.

With the railroad inoperable, the lumber products are being hauled by truck, which is a costly operation and affects the competitiveness of the shippers. DE Stokes said local shippers contacted ITD to request that off-tracking restrictions be relaxed on SH-5. The request was denied due to safety concerns on the narrow, winding highway. He added that Potlatch is planning on rebuilding the bridge and anticipates having those repairs completed by November.

US-95, Setters Road to Bellgrove, Stages 1 and 2, Key #8070 and #9146, District 1, Supplemental Agreement #3. District 1 has entered into an agreement with HDR to provide construction engineering and inspection (CE&I) for both stages of the US-95, Setters Road to Bellgrove project, according to DE Stokes. He said the estimated amount for supplemental agreement #3 is \$3,500,000, which increases the total agreement amount to \$7,708,000. The supplemental is required to continue CE&I work for the current construction season. It is estimated that an additional \$1 million will be required to complete the requisite services for both projects. Some funds are available within the projects and offsets have been identified from another project; however, remaining funds will be identified as they become necessary.

In response to Member Sweeney's question on why construction management isn't performed with in-house staff, DE Stokes said the District does not have sufficient manpower available for this project due to other construction projects in progress.

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

RES. NO. WHEREAS, it is the intent of the Idaho Transportation Board to effectively  
ITB06-41 utilize all available federal and state appropriated highway funding; and

WHEREAS, the requested funding is for a continuation of construction, engineering, and inspection services already being provided on the project; and

WHEREAS, the District has available funding within the project, has identified offset funds for key #7747, US-95, Worley North, and will identify sources for additional funding as they become available.

*NOW THEREFORE BE IT RESOLVED*, that \$4,500,000 is approved to supplement the agreement with HDR to complete the construction engineering and inspection for the US-95, Setters Road to Belgrove projects.

Request to Increase HDR's Term Agreement Limit. Highway Operations and Safety Engineer Brent Jennings said HDR is currently performing work under a task agreement for the I-84, Snake River View Rest Area Rehabilitation project, key #9626, District 3. The purpose of the project is to complete improvements to the rest area site and facilities to correct ongoing maintenance issues, to add a visitor center area to the existing building, and to upgrade existing facilities to current standards. He said continuing the work through completion of the plans, specifications, and estimate package will exceed HDR's term agreement limit, so staff is requesting an increase of \$150,000 to HDR's term agreement limit.

Member McHugh made a motion, seconded by Member Blick, to approve the following resolution:

RES. NO. WHEREAS, it is the intent of the Idaho Transportation Board to effectively  
ITB06-42 utilize all available federal and state appropriated highway funding; and

WHEREAS, the Idaho Transportation Department is committed to meeting the schedules as presented in the Statewide Transportation Improvement Program; and

WHEREAS, the Rest Area Program has available the necessary funding within the project.

*NOW THEREFORE BE IT RESOLVED*, that the requested increase to HDR's current term agreement limit by \$150,000 is approved for the I-84, Snake River View Rest Area project.

The motion passed 4-2 with Vice Chairman Combo and Member Sweeney dissenting.

Idaho Traffic Collisions 2005 Report. Due to problems with the videoconference system, this item was delayed for one month.

New and Supplemental Professional Agreements Report. From June 1 to June 30, 2006, the Consultant Administration Unit processed \$1,221,345 in professional, supplemental, and term agreements.

Contract Awards. CE Hutchinson said the low bid on ST-1803(610), key #8992 – Bear River Bridge, Franklin County, District 5, was more than ten percent over the engineer’s estimate, requiring justification. The source for the engineer’s estimate was the Average Unit Price List Report adjusted to capture the inflation that ITD has recently seen. The two items that departed the most from the engineer’s estimate are SP Bridge Repair Girder Ends and SP Bridge Patch and Repair Concrete Surface. Because staff does not believe re-bidding the project would change either the number of bidders or the low bid, and the offset for the increased bid cost has been identified, staff recommends awarding the contract.

Member Blick made a motion to award the contract on key #8992 to the low bidder: Cannon Builders Inc., Blackfoot, Idaho - \$276,600.80. Member Sweeney seconded the motion and it passed unopposed.

Board Policy B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. As a follow-up to earlier discussions to give staff more authority in awarding contracts, CE Hutchinson presented the revised Board Policy, B-14-06, for approval. He emphasized that time is often of the essence in awarding construction contracts and construction windows of various types are often included that restrict the time of year that work can be performed. Revising the policy will allow staff to award routine projects in a timely manner, thus reducing contractor delay and conflict with construction windows. CE Hutchinson also stated that the Design Manual has been modified to clarify the process for rejecting and approving bids.

Vice Chairman Combo made a motion to approve the amendments to Board Policy B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. Member McClure seconded the motion and it passed unopposed.

Proposed Changes to Administrative Rule 39.02.24 and 39.02.07. Acting Motor Vehicles Administrator (AMVA) Alan Frew, said Idaho is starting to encounter more vehicles that were manufactured in and for another country’s use and generally do not meet United States Department of Transportation safety requirements and Environmental Protection Act emission standards. Due to this, ITD is proposing a rule to establish requirements for titling these vehicles, referred to as “Gray Market”.

AMVA Frew also requested revisions to Rule 39.02.07, Rules Governing Titling of Salvage, Specially Constructed, and Reconstructed Motor Vehicles, to bring it into conformity and compliance with the amendments to Sections 49-524 and 49-525, Idaho Code passed by the 2006 legislature in House Bill 727. Current rule states that only vehicles that are five years or less in age, or which have a known market value in excess of \$6,000 are required to be in the salvage program. The legislation passed makes it mandatory that all vehicles that have been declared a total loss enter the salvage program and be issued a salvage certificate of ownership. The code changes also require those vehicles more than five years old and having a known market value of \$6,000 or less be issued a branded certificate of title, indicating the vehicle has been reconstructed upon application of the owner. The proposed changes also include a requirement for dealers to disclose title brands to purchasers, protecting consumers by identifying that the vehicle was previously declared a salvage vehicle.

Member Miller made a motion, seconded by Vice Chairman Combo and passed unopposed, to approve the following resolutions:

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve  
ITB06-43        requested changes to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule provides clarification to the Gray Market vehicle titling requirements.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule:

IDAPA 39.02.24 – Rules Governing Gray Market Vehicle Registration and Titling, which:

- Define requirements for the titling of gray market vehicles not originally manufactured for use in the United States; and
- Clarify proof of ownership documentation allowed by the Idaho Transportation Department; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate temporary rule making effective August 1, 2006 and proceed with regular rule making at the same time for the changes as listed above for administrative rule.

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve  
ITB06-44        requested changes to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule provides clarification to titling of salvage, specially constructed, and reconstructed

motor vehicle requirements.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule:

IDAPA 39.02.07 – Rules Governing Titling of Salvage, Specially Constructed, and Reconstructed Motor Vehicles, which

- Define requirements for the branded titling of salvage vehicles, as passed in House Bill 727 during the 2006 legislative session, and
- Clarify what procedures the vehicle owner must comply with to receive a branded title, depending on the age and value of the vehicle prior to the total loss event; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate temporary rule making effective July 1, 2006 and proceed with regular rule making at the same time for the changes as listed above for administrative rule.

2007 Legislative Idea Review. Legislation and Policy Specialist (LPS) Tim Greeley summarized the 19 legislative proposals for the 2007 session, including the concepts related to seat belts and mandatory chain-up that the Board requested last month. The proposals that the Board approves will be submitted to the Division of Financial Management (DFM). Upon concurrence from DFM, legislation will be drafted for the proposed legislation.

On the proposal to replace the 7-year commercial trailer plate with a permanent plate, Member Miller questioned the loss of revenue to the Department of approximately \$10,800 annually when the legislative package includes proposals to increase other fees. AMVA Frew said the permanent plate would be a convenience to the Department's customers and an efficiency measure for ITD staff and vendors.

Vice Chairman Combo asked if the additional full-time equivalent positions needed to implement the federal REAL ID Act are not approved, would the Department contract out that work? At this time, AMVA Frew does not know how that issue will be addressed, as there are many uncertainties with the federal act. Once the rules are published, the Department will have more information on how it will implement the act.

Vice Chairman Combo asked for clarification on the Headquarters facility improvement idea. Director Ekern responded that the City of Boise requested ITD partner on a study of the 30<sup>th</sup> Street corridor, which encompasses the current Headquarters' facilities. Ada County Highway District is also involved in the study. Staff is proposing a concurrent resolution for ITD to enter into an agreement with the Idaho State Building Authority to provide for the financing and development of ITD District 3 and headquarters' facilities.

Chairman Bruneel expressed concern with the idea to allow for a majority election of a local option sales tax of ½ percent within the boundaries of a Regional Public Transit Authority, specifically Ada and Canyon Counties, for public transportation systems. He believes the local entities should take the lead on this proposal. Member Sweeney believes the entire state should be eligible to implement a local option tax, not just Ada and Canyon Counties.

Member Blick made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit ITB06-45 proposed 2007 legislation to the Division of Financial Management (DFM) for review and approval; and

WHEREAS, the Idaho Transportation Department Executive Team has approved the "Legislative IDEA Submittal Forms" as to concept and has submitted them to the Idaho Transportation Board for review and approval prior to submission to DFM.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves submittal of the "Legislative IDEA Submittal Forms", as shown as Exhibit 321, which is made a part hereof with like effect, with the exception of numbers 2, 3, 4, 5, 6, 17, and 19, to DFM and, upon approval, the development by ITD staff of draft legislation to be included as part of the Governor's 2007 legislative package, dependent upon subsequent review and approval by the Board and DFM.

Member McHugh made a motion to submit #3, Primary Seat Belt Law, to DFM. Member Sweeney seconded the motion. It passed 4-2 with Members Miller and Blick opposing.

Member McClure made a motion to submit #2, Mandatory Chain-up Law, to DFM. Member Sweeney seconded the motion. It passed 4-2 with Members Miller and Blick opposing.

Member McClure made a motion to submit #4, Seat Belt: Raise Seat Belt Violation Fine, to DFM. Member Sweeney seconded the motion. It passed 4-2 with Members Miller and Blick dissenting.

Member McClure made a motion to submit #5, Seat Belt: Nursing Mother Exemption, to DFM. Member Sweeney seconded the motion. It passed 4-2 with Members Miller and Blick opposing.

Member McClure made a motion to submit #6, Safety Seat: 8 Year Age Requirement, to DFM. Member Sweeney seconded the motion. It passed 4-2 with Members Miller and Blick dissenting.

Member McClure made a motion to submit #17, ITD Headquarters Facility Improvement, to DFM. Member Blick seconded the motion. Upon a 3-3 tie, with Vice Chairman Combo and Members Miller and Sweeney opposing, Chairman Bruneel voted aye and the motion passed.

Member McClure made a motion to submit #19, Local Option Tax, to DFM. The motion died due to the lack of a second.

Chairman Bruneel thanked LPS Greeley for the overview on the legislative proposals.

Highway Operations Reorganization. Assistant Chief Engineer – Operations (ACE-O) Greg Laragan reported on a reorganization that combined the Office of Traffic and Highway Safety together with Maintenance. The reorganization was undertaken to make it easier for the Traffic and Maintenance groups to work together and to provide better service to the Districts and other customers. Part of this need is due to ITD’s involvement in more initiatives such as Intelligent Transportation Systems, Road Weather Information Systems, emergency response and quick clearance, travelers services, and signal optimization and coordination. These efforts require close coordination among several members of Headquarters Sections and Districts. ACE-O Laragan believes the biggest change is the creation of a new Mobility Services unit. Brent Jennings will be the Highway Operations and Safety Engineer with Dave Jones the Assistant Highway Operations Engineer.

Old/New Business. Last month DE Stokes requested a supplemental agreement to continue designing the US-95, Wyoming to Ohio Match Road project, key #8065. Due to the project’s placement in Horizons, the Board tabled the item and suggested the funding for the project be reviewed. DE Stokes said some options are to continue designing the project as a separate project in Horizons and to extend the US-95, Garwood to Sagle project funded with GARVEE bonds to include this project.

Overall, the Board was supportive of adding this project to the US-95, Garwood to Sagle corridor however, the consensus was to table this item one month so DAG Vogt can confirm the Board’s authority to add this project to the Connecting Idaho Program. In response to Chairman Bruneel’s question on the impact this change would have to the program manager contract, CE Hutchinson said it may have an impact; however, there are opportunities to change the scope of work and make adjustments such as the addition of the Wyoming to Ohio Match Road project.

Member Blick made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO.        WHEREAS, the staff of the Idaho Transportation Department has received an ITB06-46        offer to settle the case of *State v. Larry and Rene Maxson and Wells Fargo Home Mortgage Company* for \$520,175.46 including interest, costs, and

attorney fees; and

WHEREAS, this total settlement in the amount of \$520,175.46 is just compensation for the property taken for right-of-way acquisition in the US-93, Twin Falls Alternate Route, Stage 2 project in Twin Falls County, District 4.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$520,175.46 as just compensation for acquisition of the real property taken in the case of *State v. Larry and Rene Maxson and Wells Fargo Home Mortgage Company*.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 4:20 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
August 17, 2006  
Boise, Idaho



SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

July 14, 2006

Idaho Transportation Board Chairman Bruneel called a special meeting of the Idaho Transportation Board at 10:05 AM on Friday, July 14, 2006. The following were present at the Idaho Transportation Department in Boise, Idaho:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dave Ekern, Director  
Karl Vogt, Deputy Attorney General

The following participated in the meeting via teleconference or video conference:

John McHugh, Member – District 1  
Gary Blick, Member – District 4

Executive Session, Section 67-2345, Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 10:05 AM to discuss matters exempt from disclosure. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on matters exempt from disclosure related to ongoing contract negotiations.

The Board came out of executive session at 11:20 AM. No decisions were made.

Old Business - Connecting Idaho Partners Contract. Chairman Bruneel said the Board has held discussions on the program manager contract for the Connecting Idaho – GARVEE Program.

Member Blick made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO.        WHEREAS, the 2006 Legislature passed and the Governor signed House Bill 854  
ITB06-38        GARVEE Bonding authorization in order to provide funds to finance  
the Connecting Idaho Program; and

WHEREAS, the Idaho Transportation Board selected the Connecting Idaho Partners (Washington Group International/CH2M Hill) to act as the Connecting Idaho

Program Manager; and

WHEREAS, the Board has directed staff to negotiate with the selected team; and

WHEREAS, Board Policy B-06-08, Professional Services Agreements, requires Board approval for agreements exceeding \$1,000,000 and Board Policy B-01-09, Authority to Sign Contracts, Agreements, and Grants and their Registration, authorizes the Idaho Transportation Department Director to sign all contracts; and

WHEREAS, the Board has reviewed the scope, terms and conditions, and compensation proposal for the Connecting Idaho Program Manager.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves and authorizes the Director to execute the Connecting Idaho Program Manager contract documents.

In discussion of the motion, Member Sweeney noted his concern with the Connecting Idaho Program and the need to hire a consultant because GARVEE bonding requires annual legislative approval. Also, he is concerned with the Department's overall use of consultants. He believes ITD staff should be utilized or it may lose in-house expertise. He is also concerned with the Department's future revenue.

Chairman Bruneel believes it is imperative to proceed with the Connecting Idaho Program. He reiterated that the Board previously selected the Washington Group International/CH2M Hill team as the program manager. He added that utilizing GARVEE bonds is a new process for the Board and Department.

Member Miller commented on the Department's declining revenue available for construction projects. GARVEE bonds were proposed to accelerate construction to avoid inflation costs. The Forum on Transportation Investment has identified a \$200 million annual funding shortfall; but Member Miller does not see the governor or legislature leading efforts to remedy the Department's revenue concerns. He said he intends to vote no on the motion.

The motion passed 4-2 with Members Sweeney and Miller dissenting.

WHEREUPON the special session of the Transportation Board adjourned at 11:30 AM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
August 17, 2006  
Boise, Idaho

REGULAR MEETING AND DISTRICT THREE TOUR  
OF THE IDAHO TRANSPORTATION BOARD

August 16-17, 2006

The Idaho Transportation Board met at 8:30 AM, on Wednesday, August 16, 2006, in Boise, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Charles Rountree, Deputy Director  
Karl Vogt, Deputy Attorney General

District 3 Tour. The Board departed Boise west on US-20, south on SH-55, and west on I-84. Staff summarized various projects along the tour route. After visiting the I-84, Karcher Interchange project under construction, the tour continued south on SH-55, north on US-95, east on US-20, west on I-84 and east on SH-44, returning to the District 3 Office for lunch.

Executive Session on Personnel Issues, Section 67-2345(1)(a), Idaho Code. Member Blick made a motion to meet in executive session at 12:05 PM to discuss personnel issues. Member Sweeney seconded the motion and it passed 6-0 by individual roll call vote.

The Board discussed the hiring of a public officer/employee and a personnel issue.

The Board came out of executive session at 1:30 PM. No final actions or decisions were made.

Public Meeting: Forum on Transportation Investment (FTI). Chairman Bruneel and Member McClure welcomed the participants to the FTI meeting and recognized various officials in attendance.

FTI Co-Chairman Tom Dale and Consultant Dwight Bower summarized the purpose, activities, and findings and recommendations of the FTI. Public comments were then received.

WHEREUPON the tour and meeting recessed at 4:25 PM.

August 17, 2006

The Board reconvened at 8:30 AM on Thursday, August 17, 2006, at the District 3 Office in Boise, Idaho. All members were present.

Board Minutes. Member Sweeney made a motion to approve the minutes of the special Board meeting held on July 14, 2006 as submitted and the regular Board meeting held on July 20-21, 2006 as corrected. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

September 20-21, 2006 – District 5

October 17-18, 2006 – Boise

November 15-16, 2006 – Boise

Consent Calendar. Member McHugh made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the revisions to

ITB06-47 B-18-03, Part-time Outside Employment; the annual account write-off; revisions to IDAPA Rule 39.03.62, Logo Signs; revisions to IDAPA Rule 39.03.64, Tourist Oriented Directional Signs; and the map of winter maintenance standards; and has received and reviewed the contract award information, the Big Lost River Rest Area and land agreement report, the quarterly returned check report, and the summary of FY06 out-of-state travel.

1) Revisions to Board Policy B-18-03, Part-Time Outside Employment. Previously, the policy required employees to review with their supervisor the restrictions for outside employment prior to seeking a second job or engaging in self employment activities. The recommended change directs the employee to comply with the revised policy and Idaho law as they relate to part-time employment, conflicts of interest, and ethics. Supervisory approval is no longer required for outside employment, but it must not have or give the appearance of a conflict of interest with employment at ITD, reduce an individual's work output, coincide with an individual's regular working hours, or interfere with the regular operations of the Department.

2) Annual Account Write Off. ITD policy requires that all uncollectible accounts exceeding \$1,000 be reviewed and approved for write-off by the Board. The Director or his designee reviews and approves for write-off all accounts less than \$1,000. For FY06, staff determined 178 accounts totaling \$66,603.85 to be uncollectible. It requested Board approval to write off 11 accounts totaling \$38,799.13, as shown as Exhibit 322, which is made a part hereof with like

effect. This is a decrease from 37 accounts totaling \$146,613.88 in state FY05. The outstanding receivables are more than three years delinquent and are the result of unpaid weight distance taxes, commercial carrier registration fees, reinstatement fees, and other miscellaneous fees. Customers are not allowed to do business with ITD until their deficiencies are paid.

3) Revisions to IDAPA Rule 39.03.62, Logo Signs. Due to recent changes in the Millennium and 2003 Editions of the Manual on Uniform Traffic Control Devices, the related rule and policy need to be updated to address Attractions, 24-hour Pharmacies, and Recreational Vehicle Friendly Symbols for Logo facilities. Numerous text and formatting changes are being proposed to IDAPA Rule 39.03.62, along with the addition of allowing facilities to operate under conditional qualification. Trailblazers have also been added with a small associated fee.

4) Revisions to IDAPA Rule 39.03.64, Tourist Oriented Directional Signs (TODS). Due to recent changes in the Millennium and 2003 Editions of the Manual on Uniform Traffic Control Devices, the TODS rule and policy need to be updated to address Recreational Vehicle Friendly Symbols as allowed for facilities that cater to larger recreational vehicles. Text and formatting changes are proposed, along with the addition of allowing facilities to operate under conditional qualifications. The allowance for facilities to receive signing if the facility is located in a bypassed community is available. Trailblazers have been added with a small associated fee.

5) Winter Maintenance Standards on State Highways. Staff reviewed the levels of winter maintenance within each District and across the District boundaries. Changes to promote a more standardized application of the four winter maintenance levels of service are proposed for this coming winter. No changes to the level of service definitions are proposed. The 2006-2007 winter maintenance standards map is shown as Exhibit 323, which is made a part hereof with like effect.

6) Contract Awards. Key #9680 – FY06 Pavement Overlay, Moscow, District 2. Low bidder: Poe Asphalt Paving, Inc. - \$519,702.

Key #8938 – SH-55, Wilson Drain Hazard Elimination, Canyon County, District 3. Low bidder: Braun-Jensen, Inc. - \$131,000.

Key #8534 – SH-7, Gilbert Grade Resurfacing, District 2. Low bidder: Debco - \$956,956.

The following bids were more than ten percent over the engineer's estimate and staff rejected them: Key #8781 – FY02 Moscow Intelligent Transportation System, District 2.

Key #8256 – SH-46, Intersection US-26/SH-46, Gooding, District 4.

Key #6504 – SH-75, Salmon River Bridge, West of Clayton, District 6.

Key #9495 – I-84, Linden Road Grade Separation, Eastbound, Caldwell and key #9494, I-84, Linden Road Grade Separation, Westbound, Caldwell, District 3.

Key #8567 – SH-55, Mission to Mather Road, McCall, District 3.

7) Big Lost River Rest Area and Land Agreement. Upon researching the original agreement for the Big Lost River Rest Area in District 6, staff found that the rest area property is owned by the US Bureau of Land Management. An easement was granted to Idaho National Laboratory (INL). INL in turn granted an easement to ITD for the sole purpose of constructing a rest area. Some of the conditions of the original easement included allowing INL to install signs and providing access and right-of-way to utility companies for installing or repairing equipment. Staff will work with INL on rest area issues at this location.

8) Quarterly Returned Check Report. During the 4<sup>th</sup> quarter of FY06, \$16,358,941 in checks were received, while \$70,660, or 0.43% were returned. Collections of returned checks equaled \$46,928 for a quarterly collection rate of 66.41%.

9) Out-of-State Travel. In FY06, an estimated 374 out-of-state trips were taken totaling \$266,946. The budgeted amount was \$413,620. There were 85 direct reimbursement trips, although those expenses are not reflected in the total expenditures or budgeted amount.

Board Items. Member Blick said he received several phone calls recently regarding debris on highways. He questioned the Department's procedures to monitor roads for hazards and remove debris. District 3 Engineer (DE) Eric Shannon said maintenance crews travel highways to check for hazards, but he does not know how often.

Member Blick requested a future presentation on procedures to monitor highways for debris and safety hazards. The Board also suggested that staff provide information on who the traveling public should call when it encounters hazardous debris on the state highway system.

The ownership of a portion of former highway 10 appears uncertain, according to Member McHugh. He said East Side Highway District has been maintaining the route, per an agreement with ITD. The road is in poor condition. Because the road is the only route around eastern Coeur d'Alene if I-90 is closed, Member McHugh made a motion to give East Side Highway District \$100,000 from the Board Unallocated Account in FY07 to repair the road contingent on the local jurisdiction assuming all future responsibility for the route. Member McClure seconded the motion.

Member Sweeney expressed concern with the precedent this action would set and questioned

how many other similar situations there are throughout the state. He asked who is responsible for the road. DAG Vogt replied that ITD owns the road through a right-of-way deed for highway purposes. Through an agreement, the highway district is to maintain the route.

The motion passed 5-1 with Member Sweeney dissenting.

Vice Chairman Combo distributed draft legislation that Representative Leon Smith intends to introduce in the 2007 session related to GARVEE bonding. One of the significant changes includes total cumulative debt service and other bond-related expenses on federally-funded highway project financing shall be no more than 20% of the annual federal-aid highway apportionments designated for highway construction. Vice Chairman Combo requested a future discussion on the proposed legislation.

Chairman Bruneel said he received a letter from Director Dave Ekern announcing his retirement as of August 25, 2006. Member Sweeney made a motion to accept Director Ekern's letter of retirement. Vice Chairman Combo seconded the motion and it passed unopposed.

Department Activities. DDIR Rountree summarized staff's efforts on implementing the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users. Staff has submitted comments on some of the proposed rules. A series of teams is working on various aspects of the Act at the national level.

June 2006 Financial Statement Analysis. Controller Dave Tolman reported that the total federal aid revenue in state fiscal year 2006 was \$268.9 million. This amount is just over \$26 million more than the previous fiscal year. Total federal indirect cost recovery revenue was \$28.1 million. Total revenue from the Highway Distribution Account exceeded the forecast by \$2.1 million, or 1.2%, amounting to \$178.9 million. Overall expenditures were less than budgeted. In contract construction, the federal program was less than spending projections by 4%; however, it was almost \$27 million ahead of the same time period as last year. The state program was similar to last year's expenditures.

Aviation fuel tax revenue through the end of June was \$10,000, or 1%, less than projections. Miscellaneous revenue, including air pool operations, was 15% ahead of forecast. Federal revenue was over \$1 million less than collected last year due to no federal expenditures processed this fiscal year. Overall expenditures were less than estimated due to federal grant awards not occurring.

District 4 Administration Building Location. DE 4 Devin Rigby summarized the Master Plan Study of the ITD District administration buildings. The District 4 facility rated "poor" for working efficiency and "fair" for overcrowding, condition, and code compliance. As a result of



the study and at the direction of the Board, staff included funding in the six-year Capital Facilities Program for a replacement building.

DE Rigby said an evaluation was completed on alternative sites for the District 4 facility and how the location of the complex would affect employee commute time, district operations, and facility cost. Additionally, the social/economic impact on the City of Shoshone, employees, and the District itself were evaluated. An analysis then followed on the proximity of ITD customers, partners, and suppliers to the District Headquarters' complex. Staff evaluated employee residencies, the population of the District, local agency partners, five-year STIP projects, and District 4 vendors. Based on these various factors and evaluations, staff recommends constructing a new administration building on the current District 4 site.

Because there is a constant turnover of employees, Member Sweeney does not believe the commute should be a factor in the decision. Member McHugh expressed support to construct the facility closer to Twin Falls, partly due to the college and housing opportunities in the larger city.

Member Blick made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO.        WHEREAS, the six-year Capital Facilities Program included funding in FY07 for  
a new District 4 administration  
ITB06-48        building; and

WHEREAS, studies have concluded that the current facility is in substandard condition and in need of major renovation or replacement; and

WHEREAS, alternative sites have been evaluated to determine how the location of the District 4 Headquarters' complex would affect employee commute time, District operations, and facility cost; and

WHEREAS, alternative sites have been evaluated to determine the social/economic impact on the City of Shoshone, employees, and the District; and

WHEREAS, Idaho Transportation Department customers, partners, suppliers, projects, and employee residencies proximity to the Headquarters' facility have been evaluated.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board recognizes the importance of providing a safe working environment for employees that stimulates collaboration and effective decision making; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to construct a new District 4 administration facility on the current District 4 Headquarters' site in Shoshone, Idaho.

Upon a 3-3 tie with Members McHugh, Miller, and Sweeney dissenting, Chairman Bruneel voted aye. The motion carried.

Utilization of an Owner's Representative for District 4 Administration Building Delivery. DE Rigby reported that both design/bid/build and design/build were evaluated for the project delivery method of a new District 4 administration building. Both methods fall within the Division of Public Works' (DPW) guidelines. Staff has determined that the design/build method will be the best solution in terms of both cost and time of completion. Proper management is critical to success. ITD staff does not possess the required expertise to manage the project, and DPW staff is unavailable to assist ITD due to other major projects currently underway. Based on these factors, DE Rigby requested the use of an owner's representative to guide, direct, and manage the District 4 administration building project.

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

RES. NO.        WHEREAS, the six-year Capital Facilities Program included funding in FY07 for a new District 4 administration building; and  
ITB06-49        building; and

WHEREAS, studies have concluded that the current facility is in substandard condition and in need of major renovation or replacement; and

WHEREAS, staff has evaluated both types of project delivery including design/ bid/build and design/build and has determined that the design/build method of project delivery will be the best method of project delivery for this project; and

WHEREAS, Idaho Transportation Department staff does not possess the required expertise for the development and construction of a major office building.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board recognizes the importance of quality project development, management, construction, and commission; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to hire an owner's representative firm normally engaged in the delivery of projects utilizing a design/build delivery.

Adopt-A-Highway. Member McClure thanked the Yahweh 666 Warning Assembly for participating in the Adopt-A-Highway Program. He said the Board appreciates the assistance the group provides to the state by picking up litter on eight miles of US-95, including six miles in District 2.

Capital Facilities Program Overview. Business and Support Management (BSM) Kathyren Chase summarized the Department's capital facilities. As of July 2006, ITD personnel, equipment and materials were housed in 547 buildings on 190 yard sites and 32 back-country airports. The buildings are categorized into office, maintenance and storage, rest areas, and port-of-entry. A May 2005 facility master plan study and needs assessment study concluded that the Department has an immediate need to replace or substantially renovate administrative facilities that are 45 years old and older at a cost in excess of \$70 million. BSM Chase said she met with the Deputy Administrator of DPW to discuss the possibility of using general fund moneys for ITD's building program. The response was that traditionally, dedicated funded agencies do not receive general funds for buildings. General fund moneys generally are used for Corrections and Education. She also summarized Board actions related to ITD's facilities since May 2005.

Member Sweeney acknowledged the need for a new District 3 facility, but questioned relocating the Headquarters' campus. BSM Chase replied that plans are to relocate some of Headquarters' functions with District 3. Although the two facilities could possibly be split into two separate projects, it would be difficult, partly because of funding. The Headquarters' property is more valuable than District 3's property, which needs to be factored into the plans.

Chairman Bruneel believes Headquarters is in good condition and in a good location. He questioned improving the existing building and selling excess land for the District 3 facility. BSM Chase responded that the Headquarters' main building would need to be vacated during the renovation because it is significantly below current standards. She acknowledged that keeping Headquarters at its current location is an option.

Vice Chairman Combo commented on the need for a critical path diagram for Headquarters and expressed concern with the Headquarters' plans. He believes District 3 stands alone. Member Sweeney is concerned with the funding, as financing buildings reduces the available funds for highways. Member Miller added that the Department's buying power is declining and the Department cannot fund all of the needed highway projects. It is difficult to justify constructing new buildings when funding for highways is insufficient.

Information Technology (IT) Transition Update. Chief Technology Officer Liza Fox summarized key events that have contributed to the overall success of the technology transition, including an updated comprehensive Information Strategy Plan outlining high-priority IT initiatives; the

Technology Investment Program has been coordinated within the Division of Planning and currently tracks over \$13 million of technology investments; and the Information Services Section has been reorganized to deliver five key services.

Shannon Barnes, Automated Systems Manager, provided an update on the Division of Motor Vehicles' modernization project. IBM has been hired as the solution planner and project management training is underway. Plans are to solicit vendors early next year. Part of that process will be to determine who will operate and maintain the system, ITD or the vendor. She added that a critical path will be developed to determine the time frame for the various aspects.

Roadway Design Engineer Damon Allen summarized efforts to update the software for designing projects, the computer aided drafting and design system, and electronic bidding system.

Chairman Bruneel thanked staff for the informative overview.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code.

Member McClure made a motion to meet in executive session at 11:40 AM to discuss personnel and legal issues. Member Sweeney seconded the motion and it passed 6-0 by individual roll call vote.

The Board discussed a personnel issue.

A general discussion was held on pending litigation related to access issues on Coeur d'Alene Lake drive and condemnation cases on the US-93, Twin Falls Alternate Route, Stage 1, and I-84, Karcher Interchange projects.

Discussion continued on a personnel issue.

The Board came out of executive session at 1:55 PM. No final actions or decisions were made.

New Business. Member Sweeney made a motion to hire Dwight Bower as interim director of the Transportation Department, effective September 5, 2006. Vice Chairman Combo seconded the motion and it passed unanimously.

Chairman Bruneel left the meeting at this time and Vice Chairman Combo presided.

Interagency Regional Operations Center (IROC), Phase 2. Highway Operations and Safety Engineer (HOSE) Brent Jennings said Ada County Highway District (ACHD) has managed the state highway signal system within Ada County for ITD under a service agreement. The partnership has been expanded to include roadside Intelligent Transportation Systems (ITS)

equipment in the Treasure Valley on the state system. As the population grows and traffic volumes increase, it has become necessary for ITD and ACHD to examine methods and options for improving the effectiveness of highway operations. An earlier Treasure Valley ITS plan recommended that a multi-agency Traffic Management Center be developed. In 2004, Phase I brought together a diverse group of stakeholders to explore interest levels and potential functions of a combined transportation/law enforcement/emergency management/media operations center. Due to sufficient interest expressed, in May 2005, the Board approved the addition of a Regional Operations Center project, Phase 2, to the FY05 Highway Development Program as one of the Statewide Safety Initiative projects.

Lisa Burgess, Kimley-Horn and Associates representative, believes a collocated operations center would provide enhanced multi-agency collaboration and coordination, improved coordination for incident response, a cost-effective expansion to continuous operations, one source for traveler information dissemination, an ability to upgrade capabilities and facilities, support for the safe and efficient movement of people and goods, and meet the growing demands of the region's transportation system. Key tasks critical for proceeding with an IROC are to develop a concept of operations; determine facility and space requirements; study location options and recommend a site location; and establish a funding, timeline, and implementation plan.

Member Sweeney made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Division of Highways and Ada County Highway District have completed a feasibility study

ITB06-50 for a regional operations center for the Treasure Valley, and begun a phase 2 effort that will define the joint facility and agency functions and include a location study; and

WHEREAS, the Idaho Transportation Department has received expressions of interest from several Treasure Valley and statewide government agencies in forming a partnership for co-locating into a joint operations center, or having a data link to such a facility.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board authorizes staff to continue efforts to build a multi-agency partnership and to further define the proposed interagency regional operations center; and

*BE IT FURTHER RESOLVED*, that the Division of Highways report back to the Board as significant milestones are achieved and it becomes appropriate for the Board to consider further action.

Idaho Traffic Collisions 2005 Report. Highway Safety Manager (HSM) Mark Strait summarized the 2005 Idaho Traffic Collisions Report. Idaho's fatality rate per 100 million vehicle miles traveled was 1.84 in 2005. The state's rate remains significantly higher than the national fatality rate of 1.46. He mentioned other notable statistics, including just over 36% of the motor vehicle fatalities were the result of impaired driving; Idaho's observed seat belt use reached an all-time high of 76%; aggressive driving was a contributing factor in 55% of motor vehicle collisions and a factor in 48% of the resulting fatalities; and youthful drivers, ages 15 to 19, continue to be over-involved in motor vehicle crashes.

Approval of Highway Safety Performance Plan for FY07. HSM Strait presented the FY07 Highway Safety Performance Plan, as recommended by the Traffic Safety Commission. The National Highway Traffic Safety Administration 402 grants total \$1,685,175. Based on Idaho's highway safety needs, funding will be provided to impaired driving, youthful drivers, aggressive drivers, adult safety restraints, child passenger safety restraints, bicycle and pedestrian safety, traffic records/roadway safety, emergency medical services, paid advertising, and planning and administration. The other grant categories included in the Plan, totaling almost \$1.9 million, are Section 410, alcohol-impaired driving; 157, seat belt incentive; 408, new data program; 2010, motorcycle safety; and 163, blood alcohol count incentive.

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

RES. NO. WHEREAS, Idaho experienced 28,238 reportable traffic crashes and 275 fatalities in 2005; and

ITB06-51

WHEREAS, the economic cost of traffic crashes in Idaho for 2005 was nearly \$1.8 billion; and

WHEREAS, Idaho's fatality rate for 2005 was 1.84 fatalities per 100 million annual vehicle miles of travel, 26% higher than the national rate of 1.46; and

WHEREAS, the Idaho Transportation Department's goal is to have zero traffic fatalities; and

WHEREAS, the National Highway Traffic Safety Administration (NHTSA) has allocated almost \$3.6 million dollars in funding for Idaho to reduce traffic crashes; and

WHEREAS, the Idaho Traffic Safety Commission and the Office of Highway Operations and Safety have developed the Highway Safety Performance Plan for federal fiscal year 2007 to reduce Idaho traffic fatalities; and

WHEREAS, the Highway Safety Performance Plan is required by NHTSA in order to receive funding.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board adopts the Highway Safety Performance Plan, which is on file in the Office of Highway Safety and Operations, for federal fiscal year 2007.

New and Supplemental Professional Agreements Report. Chief Engineer Steve Hutchinson reported that from July 1 to July 30, 2006, the Consultant Administration Unit processed \$2,131,825 in professional, supplemental, and term agreements.

IDAPA 39.03.45, Rules Governing Sale of No Longer Useful or Usable Real Property. Right of Way Manager Leonard Hill said 2005 legislation gave ITD authority to dispose of surplus real property to local government entities for less than the appraised fair market value if it was used for a public purpose. ITD's proposed rule change during the 2006 legislative session to comply with the 2005 legislation was rejected by the House Transportation and Defense Committee. The sentiment was that adjoining or contiguous property owners should have the first opportunity to purchase surplus property valued under \$10,000. Staff is proposing revisions to IDAPA 39.03.45, Rules Governing Sale of No Longer Useful or Usable Real Property, to coincide with this direction.

Member McClure made a motion, seconded by Member Blick, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board has the authority to approve requested changes  
ITB06-52 to administrative rules; and

WHEREAS, the Board finds the requested changes to administrative rule 39.03.45 establishes an order for disposal of all surplus Idaho Transportation Department real property among interested parties and specifically provides priority regarding property valued under \$10,000 to contiguous property owners.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule:

IDAPA 39.03.45 – Rules Governing Sale of No Longer Useful or Usable Real Property, which

- establishes procedures for the sale or exchange of surplus ITD real property and clarifies the order of priority for sale as set out in Idaho Code Section 58-335A; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate temporary rule making effective September 1, 2006 and proceed with regular rule making at the same time for the changes authorized for the administrative rule.

The motion passed 5-1 with Member McHugh opposing.

IDAPA 39.02.22, Rules Governing Registration and Permit Fee Administration. Acting Motor Vehicles Administrator Alan Frew, requested changes to IDAPA 39.02.22, Registration and Permit Fee Administration. The changes would delete all references to outdated policies and procedures; clarify the quarterly reporting requirements for motor carriers operating under annual oversize/overweight permits, installment payments, refunds, the delinquent billing process for non payment of overlegal permit fees, acceptance of checks for payments, and authorizing payment of fees by credit card as long as the \$10,000 limit is not exceeded; and make other minor miscellaneous technical corrections.

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

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve requested changes  
ITB06-53        to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule will give the Idaho Transportation Department clearly stated guidelines for when and how a customer's account may be suspended or revoked for non-payment of fees.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule:

IDAPA 39.02.22 – Mileage Use Fee Administration

Delete all references to outdated policies and procedures and clarify:

- quarterly reporting requirements for motor carriers operating under annual oversize/overweight permits;
- installment payments – who is eligible, what happens when payments are not made on time, and the suspension process;
- refunds – what fees, if any, are eligible to be refunded and the refund process;
- delinquent billing process for non payment of overlegal permit fees;
- acceptance of checks or payments and when ITD will no longer accept checks from customers who consistently write checks that are returned for non-sufficient funds;
- authorizing payment of fees by credit card as long as \$10,000 limit is not exceeded;



and

- other minor miscellaneous technical corrections; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to promulgate regular rule making for the changes as listed above for the administrative rule.

Digital License Plates. Vehicle Services Manager (VSM) Amy Smith summarized the license plate process, including ITD's contract with Correctional Industries to produce the license plates. Correctional Industries contracts with 3M to provide sheeting materials. Currently, 36 different plate types are stored in all county offices, ITD's Supply Services, and Correctional Industries. Special eligibility plates are stored at Headquarters. There is no plate inventory control mechanism, nor an automated process to track the inventory in the county offices. It is estimated that there are about 870,000 plates in stock around the state with an approximate value of \$1.5 million in county stock.

During this fiscal year, graphic prices, which have remained static for more than ten years, are increasing 20%. Aluminum prices continue to escalate. License plate fees have remained unchanged to the consumer since 1992. Staff believes the digital plate process will cost less than the current process due to the increasing graphic prices.

VSM Smith said digital license plates would provide a real-time plate inventory management system that would automate the plate ordering process and provide information about the number of plates shipped to a county. Issuing information would be fed back to the inventory system, updating the current inventory level and triggering an automatic reorder of plates when a minimum stock is reached. The process would save space and some limited manpower, plus, due to the lighter weight of the material, reduce shipping costs. If approved, staff believes the transition to digital license plates would take a minimum of six months.

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

RES. NO. WHEREAS, the Idaho Transportation Board recognizes the long-term cost savings and efficiencies

ITB06-54 of a digital license plate production and management system; and

WHEREAS, the Board is authorized to contract with Correctional Industries to provide the State of Idaho with a digital license plate production and management system.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs staff to prepare five-year contractual documents with Correctional Industries, beginning September 1,

2006, to provide the State of Idaho with a digital license plate production and management system.

IDAPA 39.04.07, Rules Governing Aerial Search and Rescue of Lost Aircraft and Airmen. The 2005 Legislature amended Idaho Code to place the coordination of search and rescue under the direction and supervision of the chief of the Bureau of Homeland Security, while requiring aerial search and rescue operations to be coordinated by the ITD Division of Aeronautics, according to Aeronautics Administrator (AA) Bob Martin. He requested revisions to IDAPA 39.04.07, Rules Governing Aerial Search and Rescue of Lost Aircraft and Airmen, to reflect the Idaho Code changes.

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

RES. NO.        WHEREAS, the Idaho Transportation Board has the authority to approve requested changes  
ITB06-55        to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule provides clarification to Idaho Transportation Department and Bureau of Homeland Security responsibilities for search and rescue of lost aircraft.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the recommended changes to administrative rule:

IDAPA 39.04.07 – Rules Governing Aerial Search and Rescue of Lost Aircraft and Airmen, which clarifies ITD’s relationship with the Bureau of Homeland Security; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to proceed with regular rule making for the changes listed above for IDAPA 39.04.07.

Aeronautics’ Division Funding. AA Martin said that during the June workshop discussion, projections indicated a positive balance in the Aeronautics’ Free Fund Cash Account through FY09, but that a decision would need to be made next year to address the funding situation. Upon re-calculation of prior year carryover funds obligated for federal grant match and adjustment to revenue forecast projections, a negative balance is projected for FY07 and FY08, totaling \$450,000. He outlined some options for Board consideration to address this shortfall.

In response to Vice Chairman Combo’s question, Controller Tolman replied that Division of Public Transportation personnel are funded from the State Highway Account (SHA). Vice Chairman Combo questioned funding Division of Aeronautics’ personnel from that fund also.

Controller Tolman replied that the aircraft pool is a service to the entire state and funding Aeronautics' employees from the SHA is an option.

In response to Member Miller's question on the last time the jet fuel tax was increased, AA Martin said about 13 years ago.

Member McHugh asked for clarification on the match required for grants to airports. AA Martin explained the percentage rate, which is different for each category: commercial airports, airports that receive federal funds, and airports that are not eligible for federal money.

Member McClure asked for a comparison of Idaho's aviation revenue versus other states. AA Martin said Idaho's jet fuel tax is comparable to other states, with some states' tax higher and others lower. One state charges commercial aircraft an air space fee for flying over the state.

Chairman Bruneel returned to the meeting at this time.

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

RES. NO. WHEREAS, the Idaho Transportation Board recognizes that investing in airport development encourages

ITB06-56 and expands local and statewide economies by attracting new businesses and creating jobs; and

WHEREAS, the Idaho Transportation Department's Division of Aeronautics airports program provides grants that assist communities in financing airport projects and program funds for the maintenance and operation of backcountry airstrips; and

WHEREAS, through Idaho Code the Division of Aeronautics also provides public service programs such as aviation safety, aviation education, and determinations on obstructions to air flight; and

WHEREAS, the Division of Aeronautics airports, safety, education and obstructions determination programs are deemed to be in the best interest of the public and ongoing funding of these programs is essential; and

WHEREAS, program funding levels cannot be sustained given current operating costs and revenue projections.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs the Department Director to proceed with developing a jet fuel tax increase proposal of \$.015 for the

FY08 Idaho legislative session.

Member McClure asked staff to review other funding options, including other states' sources of revenue such as an air space fee.

Vice Chairman Combo made a motion, seconded by Member Sweeney, to approve the following resolution:

WHEREAS, the Idaho Transportation Board recognizes that investing in airport development encourages

and expands local and statewide economies by attracting new businesses and creating jobs; and

WHEREAS, the Idaho Transportation Department's Division of Aeronautics airports program provides grants that assist communities in financing airport projects and program funds for the maintenance and operation of backcountry airstrips; and

WHEREAS, through Idaho Code the Division of Aeronautics also provides public service programs such as aviation safety, aviation education, and determinations on obstructions to air flight; and

WHEREAS, the Division of Aeronautics airports, safety, education and obstructions determination programs are deemed to be in the best interest of the public and ongoing funding of these programs is essential; and

WHEREAS, program funding levels cannot be sustained given current operating costs and revenue projections.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs the Department Director to include in its FY08 budgeting and appropriation request to the Legislature funding from the State Highway Account the entire cost of the aircraft pilots and mechanic.

Vice Chairman Combo commented on the Division of Public Transportation employees being funded from the SHA. Member Blick stated that the Division of Aeronautics has a dedicated fund, whereas the Division of Public Transportation does not.

Member McClure supports the motion as a one-time transfer, but believes the increase in jet fuel tax, assuming it is approved by the legislature, will address the financial problems after FY08. AA Martin said the Trustee and Benefits payments could be reduced to make up the funding shortfall, however, he only recommends reducing those payments to commercial airports.

Controller Tolman clarified that two fiscal years need to be addressed for a total of approximately \$450,000.

Member McClure made a substitute motion to reduce the Trustee and Benefits payments to the commercial airports by \$150,000 in both FY07 and FY08, and to transfer the remaining shortfall of approximately \$150,000 from the State Highway Account to the Aeronautics Account in FY08. Member Blick seconded the motion and it passed unopposed.

FY08 Proposed Budget Request. Senior Budget Analyst (SBA) Joel Drake presented the balanced FY08 proposed budget. The guiding principals for budget development were to produce a balanced budget, maintain operations, and implement Board initiatives. Staff also plans to present an FY07 supplemental request to increase authorization for transfer of state funds used for debt service during FY07 from \$688,000 to \$2,058,600 to address terms of the bond document that requires deposit of state funds to the GARVEE debt service fund in advance of the time of actual debt service payments. Although the list of GARVEE projects proposed for bonding authority in FY08 is still under development, programmed cost of debt service in FY08 is \$27.6 million. SBA Drake said the FY08 revenue forecast is \$526.2 million, with \$219.1 anticipated from state sources and \$300.3 million in federal revenue; however, the FY08 appropriation request totals \$517.2 million.

Member Blick made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the FY08 Idaho Transportation Department budget request will be prepared in

ITB06-57 accordance with instructions in the Division of Financial Management's Budget Development Manual; and

WHEREAS, the Idaho Transportation Board has reviewed the FY08 budget request summary.

*NOW THEREFORE BE IT RESOLVED*, that the Board agrees with the budget request estimates and guidance provided as presented in the Department Summary and Certification, submitted for approval August 17, 2006, as shown in Exhibit 324, which is made a part hereof with like effect, and authorizes the estimates and guidance provided to serve as the basis for the budget request to be submitted to the Division of Financial Management and Legislative Services Office on or before September 1, 2006.

Member Sweeney left the meeting at this time.

FY06 Adjustments to the Federal Highway Program Based on Readiness and Available Funding. Manager, Transportation Investments (MTI) Dave Amick summarized the FY06 formula federal highway program balances as of July 28, 2006, the anticipated project removals and delays, anticipated cost increases and decreases, and the list of prioritized projects to advance based on available funding. Staff will request \$101.4 million in redistribution of obligation authority later this month. MTI Amick emphasized that the list of projects to advance and delay is the Department's strategy to utilize all available federal funds. There is no guarantee that any of the projects will be advanced or delayed, and although the list is prioritized, the projects would be advanced on a first-come first-served basis.

Member McHugh requested removal of the I-90, Washington State Line to Sherman Avenue, Coeur d'Alene project, District 1, key #8918 and making the SH-97, Turner Creek Bridge, Kootenai County, key #8399, District 1 and the I-90, Blue Creek Bay Bridges, Kootenai County, key #10206, District 1 the highest priorities for redistribution of federal formula obligation authority.

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

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department to accomplish a current,  
ITB06-58 realistic, and fiscally constrained Highway Development Program; and

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

WHEREAS, the Safe, Accountable, Flexible Efficient Transportation Equity Act – a Legacy for Users (SAFETEA-LU) requires that a priority list of projects covering a four-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, as of July 28, 2006, the funding balance in FY06 Highway Capital Investment Program is a \$41.2 million deficit; and

WHEREAS, projects have been identified that will delay or be removed from FY06 totaling \$50.8 million; and

WHEREAS, projects have been identified that will require cost increases or provide cost decreases for a net total of \$16.4 million; and

WHEREAS, a prioritized list has been identified of projects that are ready should

additional funding become available; and

WHEREAS, the result of these proposed delays, cost increases and decreases will fully utilize estimated FY06 federal-aid highway formula obligation authority of \$175.8 million and Equity Bonus funding of \$32.2 million (including Exempt Equity Bonus and FY05 carryover); and

WHEREAS, the projected Highway Program funding balance in FY06 is \$0; and

WHEREAS, the Department will request \$101.4 million in redistributed FY06 formula obligation authority from other states.

*NOW THEREFORE BE IT RESOLVED*, that the Board authorizes staff to advance projects from the list entitled “FY06 Federal Highway Program Prioritized Projects Requested for August 2006 Redistribution of Federal Formula Obligation Authority”, as shown as Exhibit 325, which is made a part hereof with like effect, in priority order as funding becomes available and projects are made ready for obligation; and

*BE IT FURTHER RESOLVED*, that staff is authorized to make the appropriate changes to the FY06-10 STIP in accordance with the provisions of SAFETEA-LU.

Board Policy B-11-04, Allocation of Surface Transportation Program Apportionments to Local Public Agencies – Calculation Methodology. MTI Amick summarized earlier discussions related to the annual federal funding level for the Rural and Urban Local Public Agencies. He outlined several options, recommending Option B, which calculates the 12.6% Local Public Agencies’ share after certain “off-the-top” deductions are made from federal-aid apportionments excluding the state’s allocation of SAFETEA-LU High Priority Projects. Local SAFETEA-LU High Priority Projects are deducted from the 12.6% local public agencies’ share before it is split evenly between Rural and Urban local agencies.

Member McHugh made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board has historically provided funding in support of Rural and

ITB06-59 Urban federal aid highways under the jurisdiction of Local Public Agencies (LPAs) through Board established programs; and

WHEREAS, the LPAs continue to have jurisdiction over federal-aid highways in need of improvement; and

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) identifies \$30.6 million (22.3% of total High Priority Projects) in High Priority Projects under the jurisdiction of the LPAs; and

WHEREAS, the allocations for High Priority Projects specified under SAFETEA-LU can only be used on these projects and are not available for distribution to other state or local jurisdictions; and

WHEREAS, the minimum allocation for the Transportation Management Area provided under SAFETEA-LU is on average 12.3% greater than under the Transportation Equity Act of 1998; and

WHEREAS, on June 30, 1998, the Board adopted resolution No. 98-53 to become effective on and after Federal FY99, specifying the method of calculation referenced as Option D to be used to determine the annual funding level for the Rural and Urban Federal-aid Programs; and

WHEREAS, the Board has carefully reviewed the merits of each of the alternative calculation methods for continued sub-allocation of federal-aid highway funding to LPAs responsible for improvements to eligible highways.

*NOW THEREFORE BE IT RESOLVED*, that the Board adopts Option B to replace Option D, as shown as Exhibit 326, which is made a part here of with like effect, under Board Policy B-11-04, effective on and after federal FY07 as the method used to allocate the annual funding level for the Rural and Urban Federal-aid Programs.

Old/New Business. Member McHugh made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, the Connecting Idaho – GARVEE Program was authorized by legislation in 2005, codified in

ITB06-60 Idaho Code 40-315, Powers and Duties – Federally-funded highway project financing; and

WHEREAS, the authorizing legislation designates eligible projects for selection by the Idaho Transportation Board to be funded with bond proceeds; and

WHEREAS, based upon safety, traffic volume, and projected demand, the southerly terminus of the US-95, Garwood to Sagle corridor currently designated in the



legislation should be more logically terminated at Wyoming Avenue; and

WHEREAS, pursuant to the powers and duties of the Board as outlined in Idaho Code, the Board has authority to find certain projects to be ineligible for funding and replace them with other projects deemed eligible; and

WHEREAS, the Board has the authority to adjust GARVEE bond proceeds among the eligible projects designated.

*NOW THEREFORE BE IT RESOLVED*, that the Board adjusts the southern terminus of the corridor known as Garwood to Sagle to include that portion of the US-95 corridor south to Wyoming Avenue and that the designation of the project be changed to Wyoming Avenue to Sagle; and

*BE IT FURTHER RESOLVED*, that the Board certifies to the Idaho Housing and Finance Association that sufficient federal transportation funds are available to make any payments required on such bonds or notes as a result of this project designation adjustment.

Vice Chairman Combo asked DAG Vogt for his opinion. DAG Vogt said the underlying legislation identified 13 projects eligible for GARVEE funding, but additional legislation is required annually to appropriate funds for those projects. The proposed resolution, in compliance with Idaho Code 40-315, changes the termini of the US-95, Garwood to Sagle project. The 2006 legislation appropriating GARVEE funding, including \$34 million for the Garwood to Sagle project, allows the Board to transfer money to other Connecting Idaho projects listed in the 2006 legislation. It does not allow the Board to transfer funds to projects not specified in the legislation. The Wyoming to Ohio Match Road project, even if it is added to the US-95, Garwood to Sagle project, is not eligible for GARVEE funding at this time.

Vice Chairman Combo believes the above resolution is misleading, as it does not provide funding for the project.

Member McHugh said GARVEE appropriations could be requested during the 2007 legislative session for the extended portion of the Garwood to Sagle project.

Chairman Bruneel expressed concern that the action may be precedent setting.

Member McClure questioned the initial US-95, Garwood to Sagle project and stated the initial terminus may not have been appropriate.

Vice Chairman Combo reiterated that the proposed resolution does not authorize funding for the Wyoming to Ohio Match Road project. Member Miller expressed concern with inflation costs. He emphasized that the Department does not have sufficient funds to address the states' transportation needs and questioned the addition of more projects to the plan.

The motion passed 4-1 with Vice Chairman Combo dissenting.

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

RES. NO. WHEREAS, the staff of the Idaho Transportation Department has received an offer to settle the case of

ITB06-61 *State v. Shigeta Family Trust* for \$1,959,500 inclusive of interest, costs, and attorney fees; and

WHEREAS, this total settlement in the amount of \$1,959,500 is just compensation for the property taken for right-of-way acquisition in the I-84, Karcher Interchange, Nampa, Stage 1 project in Canyon County, District 3.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$1,959,500 as just compensation for acquisition of the real property taken and/or damaged in the case of *State v. Shigeta Family Trust*.

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

RES. NO. WHEREAS, the staff of the Idaho Transportation Department has received an offer to settle the case of

ITB06-62 *State v. BCM & W Family Limited Partnership* for \$817,500 including interest, costs, and attorney fees; and

WHEREAS, this total settlement in the amount of \$817,500 is just compensation for the property taken for right-of-way acquisition in the US-93, Twin Falls Alternate Route, Stage 1 project in Twin Falls, District 4.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board hereby approves a settlement in the amount of \$817,500 as just compensation for acquisition of the real property taken in the case of *State v. BCM & W Family Limited Partnership*.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 5:20 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
September 21, 2006  
Pocatello, Idaho

REGULAR MEETING AND DISTRICT FIVE TOUR  
OF THE IDAHO TRANSPORTATION BOARD

September 20-21, 2006

The Idaho Transportation Board met at 9:15 AM, on Wednesday, September 20, 2006, in Preston, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dwight Bower, Director

District 5 Tour. The Board departed Preston south on US-91 to Franklin.

Ceremonial Re-opening of US-91. The Board participated in a ceremony for the newly constructed US-91, Utah State Line to Preston project, which widened an eight-mile stretch of highway to four lanes.

The tour continued north on US-91 and SH-34 to Lava Hot Springs. After an informal luncheon with local officials, the Board traveled US-30 west and I-15 north to Pocatello. During the tour, staff, a contractor, and Idaho State Police officer reported on various projects.

Public Meeting: Forum on Transportation Investment (FTI). Chairman Bruneel and Member Miller welcomed the participants to the FTI meeting in Pocatello, Idaho, and recognized various officials in attendance.

Consultant Tom Schmitt, Tom Warne and Associates, summarized the purpose, activities, and findings and recommendations of the FTI. After a question and answer session, public comments were received.

WHEREUPON the tour and meeting recessed at 3:10 PM.

September 21, 2006

The Board reconvened at 8:35 AM on Thursday, September 21, 2006, at the District 5 Office in Pocatello, Idaho. All members were present.

Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on August 16-17, 2006 as corrected. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

October 17-18, 2006 – Boise

November 15-16, 2006 – Boise

December 13-14, 2006 – Boise

Consent Calendar. Members McClure and Blick requested the removal of the items on maintenance of landscaping, Boise City's abandonment of landscaping agreements, District 3 and highway debris, respectively. These items are to be scheduled for discussion at the November meeting.

Member McClure made a motion, seconded by Member McHugh, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the revisions

ITB06-64 to B-11-04, Allocation of Surface Transportation Program Apportionments to Local Public Agencies; and speed limit change near Preston, SH-36, District 5; and has received and reviewed the contract award information, graphs and reports, the status of the pavement performance program, Director's memorandum for Title VI - Limited English Proficiency, the quarterly report on legal actions and contract claims, and the July financial statement analysis.

1) Revisions to Board Policy B-11-04, Allocation of Surface Transportation Program Apportionments to Local Public Agencies. Last month, the Board adopted "Option B" to calculate local public agencies' share of federal funding. This method calculates the 12.6% locals' share after certain "off-the-top" deductions are made from federal-aid apportionments excluding the state's allocation of SAFETEA-LU High Priority Projects. Local SAFETEA-LU High Priority Projects are deducted from the 12.6% local public agencies' share before it is split evenly between Rural and Urban local agencies. Board Policy B-11-04 was revised to reflect this change.

2) Speed Limit Change near Preston, SH-36, District 5. Staff conducted an engineering and traffic investigation on SH-36 from milepost (MP) 130.91 to MP 131.88. Based on the speed study results, road conditions, safety evaluation, and public support, staff recommends decreasing

the speed limit from 65 miles per hour (MPH) to 55 MPH on SH-36 from MP 130.91 to 131.88.

3) Contract Awards. Key #9561 – SH-29, Leadore East, District 6. Low bidder: HK Contractors Inc. - \$938,360.

Key #9405 – Meadow Creek Road, Phase 2, District 1. Low bidder: Woods Crushing & Hauling Inc. - \$380,536.

Key #9502 – FY06 Ada County Highway District Overlays, District 3. Low bidder: Central Paving Company, Inc. - \$1,547,299.

Key #9400 – Huetter Road, Hayden Avenue to Lancaster Road, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$354,574.

Key #10457 – SH-34, Milepost 104.3 East of Wayan, Caribou County, District 5. Low bidder: Gale Lim Construction, Inc. - \$1,274,049.

4) Graphs/Reports. In FY06, almost \$304 million has been obligated to date for projects. Obligations are ahead of the project readiness target. Project status reports were presented for all 2006 projects.

5) Status of Pavement Performance Program. The Pavement Team is continuing development of new proposals and methodology that better target funding to pavements. It hopes to have recommendations completed before the end of the year. The team completed a peer review and best practice analysis of other local, state and federal agencies and programs and held discussions with ITD staff and experts. Some of the early conclusions revealed the need for investigating a pavement management program, allowing more flexibility in project standards and programming, investigating a better measurement system, and introducing new preservation methods. The current strategy does not give consideration to construction costs or weighting of traffic usage or demand. For example, a mile of deficient pavement in a low volume rural area receives the same emphasis as a mile of high volume, high truck traffic in an urban area. The team will be proposing a new methodology that targets funding to pavement strategies that will provide the highest benefits to the user and prioritize pavements based on usage and function.

6) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section since June 2, 2006, a status of current legal cases, and a report on contract claims was presented.

7) Director's Memorandum for Title VI – Limited English Proficiency. A Presidential Executive Order requires that recipients of federal funds provide limited English proficient persons an equal

opportunity to benefit from and ensure meaningful access to programs and services that are normally provided in English. Discrimination by failing to adequately provide services to limited English proficient individuals is a violation. The Board was provided with Director's Memorandum #32 that outlines staff's responsibilities to ensure compliance with the limited English proficiency requirements.

8) July Financial Statement Analysis. Total federal aid revenue for the first month of FY07 was right on projections. Revenue from the Highway Distribution Account was 1% below projections. Expenditures for personnel and operating were less than budgeted. Capital equipment shows a -303% variance, which is due to a timing difference in monthly allotments and when funds were encumbered from the issuance of purchase orders for replacement of highway equipment. In contract construction, the federal program was ahead of projections by 35% and the state program was ahead of spending projections by 8%.

Aviation fuel tax revenue through the end of July was \$11,000, or 9%, less than projections. Miscellaneous revenue, including air pool operations, was 59% below the forecast. Minimal federal funds were received. Overall expenditures were ahead of budgeted amounts due primarily to the timing of purchases in the capital equipment budget occurring earlier than planned.

There was no activity in the GARVEE Capital Projects fund for the month of July. The monthly payment for the GARVEE Debt Service Fund is \$173,969.

Board Items. Member McHugh reported on the recent Western Association of State Highways and Transportation Officials' meeting. A number of states are using the design/build contracting method. There was also extensive discussion on toll roads; however, he does not believe Idaho's population would make tolling a feasible option. Board discussion followed on design/build. It was suggested that this topic be scheduled at a future meeting.

Member McHugh also mentioned that the Board Subcommittee on Audits met last week. He had an opportunity to review several issues with legislative auditors.

Since Vice Chairman Combo requested discussion of the local Sunnyside Road widening project in Idaho Falls be on the agenda, the Board, at a special meeting last week, was able to fund the project in FY06 due to ITD's receipt of \$14.4 million in federal redistribution of obligation authority. He asked the STP Urban Committee to report on the impacts the Board's action had.

District 6 Engineer (DE) Tom Cole relayed City of Idaho Falls' Mayor Jarod Fuhriman's sincere appreciation to the Board for advancing STP Urban funding in the amount of \$5.48 million for the local Sunnyside Road project. The upcoming opening of the new I-15, Sunnyside Road interchange was creating safety concerns, as the city's two-mile street is two lanes while the road

on both the east and west ends is four lanes. DE Cole acknowledged Idaho Falls' partnership and its willingness to commit resources to this important project.

Bannock Planning Organization Executive Director Mori Byington, representing the STP Urban Committee, thanked the Board for funding the Sunnyside Road project. That action will allow other needed projects to advance. Bonneville Metropolitan Planning Organization Executive Director Darrell West also thanked the Board for funding the local project.

Director's Report. Director Bower announced Deputy Director/Transportation Planning Administrator Charles Rountree's retirement on September 22. He thanked TPA Rountree for his 32 years of service to ITD. With the announcement of DDIR/TPA Rountree's retirement, Director Bower appointed Pam Lowe to the deputy director position. The Human Resources Section and the internal and external Equal Employment Opportunity functions will report directly to the deputy director. Director Bower also said he plans to hire a motor vehicle administrator by the end of this week.

Director Bower has spent considerable time on the GARVEE Program, including preparation for a report to the Joint Finance and Appropriations Committee meeting on September 28. He believes it is imperative for GARVEE Program Administrator (GPA) Nestor Fernandez to have sufficient resources to ensure the success of the GARVEE Program. GPA Fernandez is preparing a list of additional resources needed to oversee this program.

Member Sweeney believes the Department should request additional full-time equivalent positions from the legislature if more employees are needed.

Chairman Bruneel thanked Director Bower for the update and for his service to ITD. He also welcomed Representative Elaine Smith to the meeting.

Draft Legislation for 2007. Julie Pipal, Budget, Policy, and Intergovernmental Relations Manager (BPIRM), presented draft legislation on five proposals. The Division of Financial Management (DFM) did not approve the other 13 concepts ITD submitted. DFM rejected ideas that were controversial, had been proposed before and rejected, and those that involved funding. BPIRM Pipal emphasized that staff is holding the disapproved legislative concepts because the new administration or legislators may be interested in pursuing some.

Member Sweeney requested the list of disapproved legislation. BPIRM Pipal did not have that readily available, so requested time later in the day to revisit legislation. (See later minute entry.)

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



RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit proposed 2007 legislation ITB06-65 to the Division of Financial Management for review and approval; and

WHEREAS, the Idaho Transportation Board at the July 20, 2006 meeting reviewed and approved legislative ideas for submission to the Division of Financial Management; and

WHEREAS, the Board at the July 20, 2006 meeting also authorized ITD staff to develop draft legislation for review and approval, prior to submission to the Division of Financial Management; and

WHEREAS, the Division of Financial Management approved legislative ideas for submittal as legislative proposals.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves submittal of the proposed draft legislation for the concepts as shown as Exhibit 329, which is made a part hereof with like effect, to the Division of Financial Management.

Division of Motor Vehicles (DMV) Visioning Session/Scope of Modernization Project. Shannon Barnes, Automated Systems Manager (ASM), provided an update on the DMV modernization project. The project is to enable customers to access DMV services at any time and from any location. It is to provide one record per individual. Currently, different systems have to be accessed for information on an individual's vehicle registration, driver's license, title, etc. The project will also secure the Department's technology. Some of the related tasks include implementing the federal REAL ID Act, upgrading the security and communication infrastructure at county and port of entry sites, automating the drivers' license testing system, and modernizing the accounts payable and accounts receivable systems. ASM Barnes emphasized that the DMV systems are at the end of their life and even if the Department continues at the current pace to upgrade the system, it will be three years before a new system is in place and operational.

Chairman Bruneel asked for additional information on the REAL ID Act portion of the project, including the Department's options and if pursuing a different direction with the federal act would have cost or time implications on the overall DMV project. ASM Barnes responded that ITD has options regarding REAL ID. Although any changes, such as eliminating the REAL ID portion, would have impacts to the overall project, she emphasized that the major reason for the upgrade is to address driver's license and registration components. Acting Motor Vehicle Administrator Alan Frew added that the DMV update is also necessary to provide a secure environment for the Department's records.

Director Bower suggested scheduling a future presentation on REAL ID, including Idaho's responsibilities, options to address the federal legislation, and the direction Idaho should take. The Board concurred with revisiting this matter in November.

District 5 Recognition. DE5 Ed Bala reported that a ground-breaking ceremony was held last month on the first GARVEE-bonded construction project, US-30, Topaz to Lava Hot Springs. He recognized several staff members who were instrumental in preparing the project for construction: Resident Engineer Tim Swenson, Right-of-Way Manager Ryan Walz, Project Development Engineer Phil Rumsey, and Senior Environmental Planner Alan Wubker.

Director Bower commended DE Bala for his leadership and oversight on the important US-30 project. Chairman Bruneel also thanked the District staff for its efforts.

Adopt-A-Highway. Member Miller recognized the Jason Lee United Methodist Church and Power County Inmate Labor Program for participating in the Adopt-A-Highway Program. The first group currently picks up litter on I-15 from milepost 94.4 to 96. The Power County inmates have adopted 15 miles along I-86. Additionally, the Power County Community Boys and Power County Community Girls have adopted portions of I-86 in 2006. The Power County groups have been providing additional services. Some of this assistance included picking up trash at Coldwater and Massacre Rocks Rest Areas and pulling and cutting weeds on SH-39 to prevent snow buildup along guardrails, making it safer for the motoring public. Member Miller thanked the groups for their commendable service.

New and Supplemental Professional Agreements Report. Chief Engineer Steve Hutchinson reported that from August 1 to August 31, 2006, the Consultant Administration Unit processed \$1,708,400 in professional, supplemental, and term agreements.

Recommended FY07-11 Capital Investment Program. Dave Amick, Manager, Transportation Investments (MTI), presented the recommended FY07-11 Capital Investment Program, including the Federal and State Highway Development Program and the Public Transportation and Aeronautics Programs. He outlined changes to the Program since the June workshop due to delays of unready projects, delay of ready projects paid for in FY07 by offsetting FY06 cost increases by constituency, a one-time inflation adjustment of 15% to the costs of projects, an FY07 set-aside for fuel escalation costs of \$10 million for prior year contracts, adjustments to available dollars per the new local formula approved last month under Board policy B-11-04, the Budget Council's revised forecasts of available State funding in state FY07-11, and statewide and local program balancing meetings in August. Changes were also made as a result of the \$14.4 million Idaho received in federal redistribution obligation authority.

Some discussion was held on the Horizons, with overall Board support for this concept. The

Board stressed, however, that documents referencing projects in a Horizon should emphasize that with the exception of planning funds, no money is identified for any work on projects in a Horizon.

Member McHugh expressed concern with the funding reduction for the Rest Area Program. He referenced a resolution approved by the Board earlier committing \$10 million annually to rest areas and noted that the proposed Capital Investment Program does not fund rest areas at that level. MTI Amick concurred with that assessment and added that the Board's commitment to the Safety Program is also unmet in the draft Program. Due to funding concerns, staff had difficult decisions to make and needed to remove or delay projects. (See later minute entry.)

Member McClure made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department to publish and accomplish

ITB06-66 a current, realistic, and fiscally constrained Capital Investment Program; and

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

WHEREAS, the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) requires that a priority list of projects covering a four-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Divisions of Highways, Public Transportation, and Aeronautics have recommended new projects and updated the costs and schedules for projects in the FY07-11 Capital Investment Program; and

WHEREAS, the recommended FY07-11 Capital Investment Program was developed in accordance with all applicable federal requirements including adequate opportunity for public involvement and comment; and

WHEREAS, the recommended FY07-11 Capital Investment Program incorporated public involvement and comment whenever possible while maintaining a fiscally constrained Program; and

WHEREAS, it is understood that continued development and construction of improvements are entirely dependent upon the availability of future federal and state

capital investment funding in comparison to the scope and costs of needed improvements.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the Recommended FY07-11 Capital Investment Program, which is on file in the Office of Transportation Investments; and

*BE IT FURTHER RESOLVED*, that staff is authorized to include approved projects in the FY07-11 STIP in accordance with the provisions of SAFETEA-LU.

Member McHugh referenced an earlier Board resolution requesting Idaho's Congressional Delegation fund the Bridging the Valley project with a bi-state Congressional earmark in the reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century. Additionally, the 2003 resolution states that the Board approved funding Idaho's share of the preliminary design work for the project with the understanding that the project will be funded without an Idaho state matching requirement and without affect or limitation on any other funding that may be provided to Idaho in the reauthorization bill. Over \$6 million in High Priority funding was included in SAFETEA-LU for this project. Member McHugh asked staff to resubmit the referenced resolution to Idaho's Congressional Delegation.

FY07-11 Draft STIP Comments. Intermodal Planning Manager (IPM) Pat Raino reported that the STIP was developed in compliance with the Code of Federal Regulations. The multi-year, multi-modal program shows planned highway, transit, aeronautics, and highway safety projects. She summarized the 421 public comments received as part of the public review and comment period between July 10 and August 8, 2006. IPM Raino also provided the Board with all of the comments submitted.

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

RES. NO. WHEREAS, the Idaho Transportation Department is required by 23 U.S.C. 134, 23 CFR, Part 450 and

ITB06-67 49 CFR, Part 613 and the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) to develop a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Program contains a list of priority transportation projects to be carried out for the first four years of the STIP and is in conformance with the first four years of each Metropolitan Planning Organization's Transportation Improvement Program; and

WHEREAS, the STIP is consistent with “*Idaho’s Transportation Future: getting there together,*” the Department’s long range vision/planning document adopted by the Board in July 2004; and

WHEREAS, the STIP, in nonattainment and maintenance areas, contains only transportation projects found to conform, or from programs that conform, to the requirements contained in 40 CFR Parts 51 and 93; and

WHEREAS, the STIP is financially constrained by year and includes sufficient financial information to demonstrate which projects are to be implemented using current revenues and which projects are to be implemented using proposed revenue sources while the transportation system as a whole is being adequately operated and maintained; and

WHEREAS, the STIP contains all capital and non-capital transportation projects proposed for funding under the Federal Transit Act; and

WHEREAS, the STIP contains all regionally significant projects requiring an action by the Federal Highway Administration (FHWA) or Federal Transit Administration (FTA); and

WHEREAS, the STIP, in the first year, includes only those projects that have been selected in accordance with federal project selection requirements for non-metropolitan areas; and

WHEREAS, the STIP contains modal projects in aeronautics, bicycle/pedestrian, highways, public transportation, and rail as well as highway safety; and

WHEREAS, the STIP was developed in accordance with all applicable federal requirements including adequate opportunity for public involvement and comment.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the FY07-11 STIP with any changes approved at the September 20-21, 2006 Board meeting to be included in the recommend STIP, which is on file in the Intermodal Planning Office; and

*BE IT FURTHER RESOLVED*, that the Board approves the transmittal of the recommended FY07-11 STIP to FHWA and FTA for their review and approval.

Executive Session on Personnel and Legal Issues, Section 67-2345, Idaho Code. Vice Chairman

Combo made a motion to meet in executive session at 12 noon to discuss personnel and legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on personnel issues related to an employee.

A general discussion was held on pending or probable litigation related to the US-95, Mica Bay project; access issues with the I-84, Karcher Road project; allegations on safety violations; and the potential termination of a contract.

The Board came out of executive session at 1:05 PM. No final actions or decisions were made.

Member McHugh left the meeting at this time.

Old Business. Member Sweeney made a motion to reduce the Board's commitment to the Rest Area Program from \$10 million to \$5 million annually. Member Miller seconded the motion.

Member McClure believes the Board should have an in-depth discussion on the Rest Area Program before action is taken. He asked if funding for other programs should also be reduced. Member Blick said he would support a one-year reduction of funding for the Rest Area Program, but expressed concern that rest area projects are generally the first ones dropped when funding issues arise.

Member Miller expressed frustration with the direction the Rest Area Program has taken. He also expressed support for District 5's partnership proposal for a facility with the private sector in McCammon; however, a decision needs to be made soon on that partnership.

Member McClure made a substitute motion to revisit the Rest Area Program next month, including an overview on the consultant's responsibilities; impacts to the consultant agreement if funding for the Program is reduced; and additional information on District 5's partnership proposal.

Member Sweeney withdrew his motion. Member Miller concurred.

Member Miller seconded the motion on the table and it passed unopposed.

BPIRM Pipal distributed information on the Department's other legislative proposals that were not approved by DFM at this time; however, the entire packet will be submitted to the new administration.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 1:25 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
October 18, 2006  
Boise, Idaho

## SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

September 14, 2006

Idaho Transportation Board Chairman Bruneel called a special meeting of the Idaho Transportation Board at 2 PM on Thursday, September 14, 2006. The following were present at the Idaho Transportation Department in Boise, Idaho:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dwight Bower, Director  
Karl Vogt, Deputy Attorney General

Chairman Bruneel welcomed interim director Dwight Bower to the meeting and expressed appreciation to Director Bower for his willingness to serve the Department in this capacity.

Executive Session, Section 67-2345, Idaho Code. Member Sweeney made a motion to meet in executive session at 2 PM to discuss legal and personnel matters. Member McClure seconded the motion and it passed 5-0 by individual roll call vote.

Member Gary Blick, District 4, joined the meeting during discussion of the first topic.

A general discussion was held on personnel issues related to the employment status of an individual, compensation of a public officer, hiring a public officer, and the evaluation of ITD employees.

A general discussion was held on legal records exempt from disclosure.

The Board came out of executive session at 3:50 PM. No decisions were made.

FY06 Federal End-of-year Funding. Dave Amick, Manager, Transportation Investments, (MTI) reported that ITD received \$14.4 million in end-of-the-year redistribution of federal obligation authority. He presented a final plan for utilization of FY06 federal funding. Staff recommends \$5.48 to advance the local Sunnyside Road, Idaho Falls project, key #7979, based on the Board's support in June to advance the project if funds become available. MTI Amick presented a letter from the City of Idaho Falls confirming the City's commitment to fund the balance of the costs



needed to complete the project.

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

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department to accomplish a current,  
ITB06-63 realistic, and fiscally constrained Highway Development Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) requires that a priority list of projects covering a four-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Department has received \$14.4 million redistributed FY06 federal formula obligation authority from other states; and

WHEREAS, the Board members, at its June 2006 meeting, concurred in placing the advancement of key #7979, Local, Sunnyside Road, Idaho Falls, as its first priority for the use of additional funding in FY06; and

WHEREAS, at its August meeting the Board approved a list of projects for additional funding with top priority to ready FY06 projects expected to delay to balance the FY06 program year and subsequent priority to the advancement of the FY10 STP Local Urban project, Sunnyside Road to FY06; and

WHEREAS, the Idaho Falls Mayor, Jared D. Fuhriman, has provided the Department a September 12, 2006 letter, as shown as Exhibit 327, which is made a part hereof with like effect, confirming the City of Idaho Falls' commitment to fund the balance of the costs needed to complete the project, which exceed the STP-Urban commitment of \$7,741,000; and

WHEREAS, the City of Idaho Falls has provided to the Department ready project plans and estimates for the advertisement of the Sunnyside Road, Idaho Falls project at a total project cost estimate of \$12 million.

*NOW THEREFORE BE IT RESOLVED*, that the Board authorizes staff to fund projects from the list entitled "FY06 Federal Highway Program Prioritized Projects

Requested for August 2006 Redistribution of Federal Formula Obligation Authority – Updated for Actual Redistribution of \$14.4 million in Federal Aid”, as shown as Exhibit 328, which is made a part hereof with like effect, showing the funding of ready FY06 projects and the advancement of STP Urban funding of \$5.48 million for the Local, Sunnyside Road, Idaho Falls project from FY10 to FY06; and

*BE IT FURTHER RESOLVED*, that staff is authorized to make the appropriate changes to the FY06-10 STIP in accordance with the provisions of SAFETEA-LU.

Old/New Business. In response to Chairman Bruneel’s request for an update on the Connecting Idaho – GARVEE Program, Director Bower said he met recently with the Connecting Idaho Partners and has reviewed the status of each project. Documents are being prepared for the Joint Finance and Appropriations Committee, which will be meeting later this month, including the legislatively-required annual report on the program. GARVEE Program Administrator Nestor Fernandez is reviewing the resources he needs to oversee this program. Director Bower added that he also met with Federal Highway Administration officials to discuss the Connecting Idaho Program.

Member Blick requested information at a future meeting on agriculture exemptions for hauling hay. Chairman Bruneel suggested the overview include information on all unsecured loads.

Chairman Bruneel announced the Board’s intent to advertise to fill the director’s position. He expressed appreciation to ITD staff for its support during the transition. He also welcomed Pam Lowe back to the Department as deputy director.

WHEREUPON the special session of the Transportation Board adjourned at 4:20 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
October 18, 2006  
Boise, Idaho

WORKSHOP AND REGULAR MEETING  
OF THE IDAHO TRANSPORTATION BOARD

October 17-18, 2006

The Idaho Transportation Board met at 8:30 AM, on Tuesday, October 17, 2006, at the Idaho Transportation Department in Boise, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dwight Bower, Director  
Karl Vogt, Deputy Attorney General

GARVEE Plan. GARVEE Program Administrator Nestor Fernandez opened the workshop with introductions and a review of the agenda. Manager, Transportation Investments, Dave Amick outlined the federal funding assumptions. It is believed that the federal highway act will continue beyond the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) and that the formula and apportionment levels will be flat based on FY09 of the current Act, estimated at \$263.9 million. It is anticipated that the undesignated balance of federal obligation authority at 86.3% will result in \$113.7 million in FY07, \$116.4 million in FY08, and \$115.3 million in FY09.

Controller Dave Tolman summarized the Series 2006 GARVEE bonds. Total program funds, including interest, amount to \$215.5 million after expenses. Some of the bond requirements include that the bond proceeds will be held by the trustee and invested until they are needed to pay project costs, bond proceeds must be paid out in three years, and state match will be paid to the trustee on a monthly basis. Controller Tolman explained the debt service fund flow and summarized the bond limitations as set forth in Idaho Code. He also reviewed bonding assumptions, such as all rates assume use of AAA bond insurance, interest earned on bond proceeds is available for project-related expenses, and bonds reach final maturity in 2029 with a term of issuance of 18 years. He reviewed bonding finance scenarios, including an accelerated bond issuance schedule. It was noted that due to the anticipated reduction in available future federal aid, Idaho's credit rating agencies and bond advisers recommend only selling bonds worth up to \$998 million to preserve the A+ credit rating.

Dave Butzier, Connecting Idaho Partners Program Manager, proposed a number of different

scenarios for funding projects. The main considerations in developing the plans were safety, congestion, and pavement condition. It was noted that there are insufficient funds to complete the vision for the six projects, which would total approximately \$2.6 billion. Tentative plans are to bond close to \$1 billion, or a total of five consecutive years of approximately \$200 million each year. Extensive discussion was held on the various projects and funding scenarios. (See later minute entry.)

Professional Services Agreements. Roadway Design Engineer (RDE) Damon Allen highlighted legislative and congressional actions since 1995 that have impacted the Division of Highway's use of consultants. Consultant use is currently about 72%. To perform all non local work in-house would require project development staff levels to potentially double, not including supporting staff.

Human Resources Manager Mary Harker reported on marketplace competition. She said it is difficult to recruit and retain qualified engineers.

Consultant Administration Unit Manager (CAUM) Fran Hood summarized the current procedures regarding consultants, including a formalized process to determine if in-house staff is available before consultants are procured. She emphasized that consultants are needed to balance ITD's workload, provide specialized expertise and diversified experience, and provide services that are only needed occasionally. CAUM Hood reported on consultant agreement usage in FY06 and on efforts to utilize small consulting firms. She also mentioned that ITD administers agreements for local projects.

Sharon Scarr, Federal Highway Administration, summarized the federal regulations regarding the qualification based selection process. In response to Member Blick's question on determining a consultant's competency, Ms. Scarr replied that it is based on criteria. A committee interviews consultants. Evaluations are performed on consultants' work. She emphasized that some of the advantages of the qualification based selection process are the selection of the consultant is based on demonstrated qualifications, experience, and understanding of the project requirements; negotiation results in a better defined scope and more confidence that the costs are based on reasonable assumptions; and it promotes partnerships.

Jim Ross, American Council of Engineering Companies, (ACEC), elaborated on the delivery of projects by consultants, starting with developing the scope of work. He outlined some of the common challenges of the scoping process and schedule. The performance evaluation process is important because it lets the consultant know if improvement is needed, it is a factor for future project awards, and it may affect prequalification on term agreements.

Rex Hansen, ACEC, reported on the efforts that ITD and ACEC have established to work

together, including the formation of a liaison committee and subcommittees.

Some discussion followed on repercussions if consultants are not performing. Although there may not be a direct financial penalty, CAUM Hood emphasized that consultants are evaluated on performance and those evaluations are considered when ITD selects consultants. She also stressed that consultants' work is different than contractors'. It would be difficult to incorporate an incentive/disincentive clause with consultant work because there are so many uncertainties: there is not a definite set of plans to follow.

In response to Member Miller's question on improvements that could be implemented, RDE Allen said that increasing the term limit agreement for staff authorization would help expedite the procurement process. Additionally, the Connecting Idaho Program may result in

improvements in the overall professional services agreements procedures, as one of the charges of the Program Managers is to provide innovations and efficiencies.

Chairman Bruneel thanked the group for the informative presentation.

WHEREUPON the workshop recessed at 3:15 PM.

October 18, 2006

The Board reconvened at 8:35 AM on Wednesday, October 18, 2006, in Boise, Idaho. All members were present except Vice Chairman John X. Combo.

Board Minutes. Member Sweeney made a motion to approve the minutes of the special Board meeting held on September 14, 2006 as submitted. Member Miller seconded the motion and it passed unopposed.

Member Sweeney made a motion to approve the minutes of the regular Board meeting held on September 20-21, 2006 as submitted. Member McHugh seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

November 15-16, 2006 – Boise

December 13-14, 2006 – Boise

January 17-18, 2007 – Boise

Consent Calendar. Member McClure asked if the Department receives feedback from

municipalities after the speed zone changes by city ordinance report is distributed. Assistant Chief Engineer – Operations (ACE-O) Greg Laragan said he is not aware of any comments ITD has received in response to that report.

Member McClure made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the annual report

ITB06-68 on speed zone changes by city ordinance and has received and reviewed the speed minute entry changes for April 2004 to September 2006, the contract award information, the obligation graphs and reports, and the August financial statement analysis.

1) Annual Report on Speed Zone Changes by City Ordinance. Throughout the state, there are 56 locations in 27 cities where cities have imposed speed limit changes that have gone against the recommendations of the Department since legislation was enacted in 1997 allowing incorporated cities to establish speed limits within their jurisdiction on sections of the State Highway System. Authority to establish speed limits within highway sections with access control Types 4 and 5 is retained by ITD. The results from studies done since implementation of city-imposed speed limits through 2006 suggest drivers are more inclined to disobey city-imposed speed reductions. The data shows better conformance to speed limits established by standard engineering practices. No definite conclusions can be made on collisions due to limited information available. Upon approval, the report will be distributed to all municipalities referenced in the report, the Association of Idaho Cities, and all state legislators.

2) Speed Limit Entry Change for April 2004 – September 2006. Since April 2004, staff approved Minute Entries for Speed Control Zones as a result of city ordinances and District speed studies. There were a total of 32 changes, 14 via city ordinance and 18 due to ITD speed studies. The latter changes are classified as routine in accordance with Board and Administrative policies, Traffic Minute Entries. No change in the length of any speed zone in excess of 0.5 miles was approved unless required by city ordinance.

3) Contract Awards. Key #10742 – I-84, Snake River Bridge Westbound, Glens Ferry, District 4. Low bidder: RSCI - \$69,959.

The low bids on the following projects were more than ten percent over the engineer's estimate and staff rejected the bids: Key #8924 – US-95, Kootenai River Railroad Bridge, Bonners Ferry, District 1.

Key #9656 – I-184B, Blaine/Cleveland Curb Replacement, District 3.

### Key #9155 – Garden Valley Trail, District 3.

4) Obligation Graphs/Reports. As of September 30, \$211,350,000 had been obligated for construction projects and \$124,540,000 had been obligated for preliminary engineering, right-of-way, local projects, special projects, and unscheduled projects. Project status reports were presented for all 2006 projects.

5) August Financial Statement Analysis. Total federal aid revenue for August was 30% or \$15.5 million higher than through August 2005. Federal indirect cost recovery was \$6.3 million through the end of August. Revenue from the Highway Distribution Account was 1.5% ahead of projections. Expenditures for personnel and operating were less than budgeted. Capital equipment expenditures were right on target. In contract construction, the federal program was ahead of projections by 10% and the state program was behind spending projections by 31%.

Aviation fuel tax revenue through the end of August was \$29,000, or 13%, more than projections. Miscellaneous revenue, including air pool operations, was 27% below the forecast. Minimal federal funds were received. Overall expenditures were less than budgeted.

In the GARVEE Capital Projects fund, \$449,855 were expended on four projects. The monthly payments for state match in the GARVEE Debt Service Fund were \$173,969. The cash transferred into and also the disbursement out of the GARVEE Debt Service Fund through the end of August was \$347,939.

Board Items. Member McHugh referenced information the Board received on the upcoming American Association of State Highway and Transportation Officials (AASHTO) Special Committee on Boards and Commissions meeting. One of the topics to be discussed at that meeting is congressional earmarking of the federal highway act.

Member McHugh made a motion to notify the AASHTO Special Committee on Boards and Commissions that the Idaho Transportation Board opposes earmarking the federal highway act because that action reduces the flexibility states have to obligate funds. Member McClure seconded the motion and it passed unopposed.

Chairman Bruneel said he was contacted by the Boise City Council regarding participating in the 30<sup>th</sup> Street extension study, which impacts ITD's property. In the ensuing discussion, it was noted that staff has been involved in discussions on that study.

Director's Report. Director Bower reported that Congress has not approved a transportation appropriations bill for FY07 yet. The Department is operating under a continuing resolution that

expires on November 17, 2006. Later on the agenda, the Board will be asked to approve a contract award for a federal project that staff intends to advance construct with state funds until the federal funding is available.

Progress is being made on expanding the GARVEE Office, according to Director Bower. The required disciplines have been identified and work is proceeding to fill those positions.

In conclusion, Director Bower distributed a 7<sup>th</sup> GARVEE bonding scenario, based on yesterday's discussions. He requested Board consideration of the Work Plan later in the day. (See later minute entry.)

Forum on Transportation Investment (FTI) Public Comments Summary Report. Senior Transportation Planner Sonna Lynn Fernandez summarized the FTI process, starting with its formation in September 2004. She reported that more than 255 people attended the public hearings that the Board conducted this past summer, with 60 providing testimony. The main issues that people spoke about during the meetings were:

- manage growth;
- integrate land use and transportation planning at all levels of government;
- develop standards and encourage the use of access management practices statewide;
- preserve right-of-way corridors and increase setbacks for future development;
- assess impact fees on new growth;
- create a variety of revenue opportunities that will supplement the current federal funds, as well as create sources to make Idaho more self-sufficient, including increasing the fuel tax and registration fees;
- enable local entities to generate their own revenue, such as local option taxes and impact fee assessments to pay for transportation infrastructure and maintenance, public transportation, and bicycle/pedestrian lanes;
- promote public/private and public/public partnerships; and
- acknowledge public transportation as a viable alternative and encourage a change in the state constitution to allow public transportation to access state funds

Chairman Bruneel thanked Ms. Fernandez for the presentation. He believes the FTI identified important issues and its findings will be a useful tool.

Board discussion followed on the next steps, with a consensus to develop a comprehensive plan to address transportation funding. The Board requested information on the estimated amount of revenue various options would produce, such as increasing the fuel tax one cent and doubling the registration fees. Due to that information not readily available and timing constraints, a special meeting on November 3 was scheduled to develop a funding plan.



Delegation – City of Council. City of Council Mayor Bruce Gardner thanked the Board members for their time. He is concerned with the removal of the US-95, Council Alternate Route project from the Statewide Transportation Improvement Program (STIP). He expressed safety concerns with the current highway, which is the city's main street. Safety concerns relate to the increased traffic, the 90-degree turns, and the school's location along the route. Mayor Gardner appreciated the partnership project ITD and the City had to re-engineer Main Street, but that project was intended to be in conjunction with re-routing US-95 around Council. He provided letters of support for the Alternate Route project from the Adams' County Sheriff's Office and Council School District.

City Engineer Mike Holladay elaborated on the re-engineering project, which resulted in the loss of some parking, and the difficulty some semi trucks have with the 90-degree turns.

County Commissioner Mike Paradis thanked the Board for the numerous improvements that have been completed on U-95 over the years. He expressed the County's support for the Council Alternate Route, and emphasized the project is needed to address safety concerns. He also mentioned the recent relocation of ITD's Council maintenance facility, which was partly moved to coincide with the relocated highway.

In response to Member Sweeney's question on the status of the project, District 3 Engineer Eric Shannon responded that the project had been in FY09 but is now unfunded due to insufficient funds. The estimated construction cost is over \$6 million. The environmental document is almost completed and the project is about ready to go to final design.

Although Member McClure concurred with the necessity of the project and stated he was disappointed it was moved to the unfunded category, he emphasized the Department's dire funding situation. He asked Mayor Gardner if he would be willing to support a fuel tax increase or other options to increase transportation revenue for these statewide needs. Mayor Gardner responded that personally, he would be supportive of increasing transportation revenue. Member McClure added that the Board is supportive of constructing alternate routes and that if funding becomes available, he would encourage the Board to fund this project.

Chairman Bruneel thanked the delegation for its comments.

Employee Service Awards. The Board participated in the semi-annual employee service awards, with Chairman Bruneel providing remarks.

Executive Session on Personnel and Legal Issues, Section 67-2345, Idaho Code. Member Sweeney made a motion to meet in executive session at 11:10 AM to discuss personnel and legal issues. Member McHugh seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on personnel issues related to the employment status of individuals, hiring a public officer, and the evaluation of ITD employees.

A general discussion was held on pending or probable litigation related to the US-95, Mica Bay project and allegations on safety violations.

The Board came out of executive session at 1:25 PM. No final actions or decisions were made.

Delegation – Coalition for Regional Public Transportation. Dan Stevens, Coalition for Regional Public Transportation Co-Chair, emphasized the need for public transportation services in the Treasure Valley. He said the Coalition, based in the Treasure Valley, is a large group of business leaders and local officials that was organized to learn more about transit and develop a regional public transportation system in the area. He stressed that public transportation needs to be part of the transportation system and it needs dedicated funding. Co-Chair Stevens referenced the FTI's findings and recommendations related to public transportation. He mentioned the Coalition's local option tax proposal is for Regional Public Transportation Authorities (RPTAs), not just a funding mechanism for the Treasure Valley.

Kelli Fairless, Director, Valley Regional Transit, thanked the Board for its time. She emphasized that the Coalition's proposal is statewide. She reported that a public transportation plan has been developed for the Treasure Valley and provided specific information, including financial details, on the plan.

Former Transportation Board Chairman and Co-Chair of the Coalition for Regional Public Transportation Chuck Winder emphasized the importance of the public transportation plan that has been developed for the Treasure Valley and the long-term goals that have been identified. He emphasized the importance of addressing the future transit needs. He requested Board support for the Coalition's local option transit tax legislative proposal for RPTAs.

Chairman Bruneel commended the Coalition for its efforts. He acknowledged the growth in the Treasure Valley, resulting in more congestion, and the need to address the changing environment.

The consensus of the Board was to support the Coalition's local option tax proposal; however, because the issue was addressed in the FTI's findings and the proposal is related to the funding plan that the Board will be discussing at its November 3 meeting, it deferred action on this item until next month.

Delegation – Idaho Department of Parks and Recreation (IDP&R). IDP&R Board Member Ernest Lombard summarized the establishment and the efforts of the committee appointed by former

Governor Kempthorne to develop a master plan for Eagle Island State Park. He elaborated on the plan, which provides recreational opportunities, an education center, and an emphasis on wildlife. He also mentioned that the intent is to extract gravel from the park to help create lakes and ponds and to supplement funding for the improvements.

Chairman Bruneel thanked IDP&R Board Member Lombard for the presentation.

GARVEE Corridor Plan. Deputy Director Pam Lowe summarized GARVEE Work Plan #7, which was based on the Board's discussion yesterday. It is a five-year bonding plan, not an accelerated schedule.

Member McHugh made a motion, seconded by Member Blick, to approve the following resolution:

RES. NO. WHEREAS, on April 14, 2006 the Governor of Idaho signed Grant Anticipation Revenue Vehicle (GARVEE)

ITB06-69 bond legislation authorizing the issuance of GARVEE bonds by the Idaho Housing and Finance Association in a principal amount of \$200 million to finance up to six highway transportation projects; and

WHEREAS, the legislation authorized bonding to finance the following projects and funding amounts:

|                                 |                   |
|---------------------------------|-------------------|
| US-95, Worley to Setters        | \$45,600,000      |
| I-84, Caldwell to Meridian      | \$70,000,000      |
| US-30, McCammon to Soda Springs | \$30,500,000      |
| I-84 to South Emmett            | \$ 5,000,000      |
| US-95, Garwood to Sagle         | \$35,000,000      |
| I-84, Orchard to Isaacs Canyon  | \$13,900,000; and |

WHEREAS, additional bonding will be required to deliver a final product for each of the corridors listed above; and

WHEREAS, the Idaho Transportation Board is charged with determining the timeframe and scope of improvements for the State Transportation System; and

WHEREAS, the Board is granted the statutory authority to adjust GARVEE bond proceeds allocated among the projects authorized in House Bill 854; and

WHEREAS, when making the determination on the priority of transportation improvements, the Board takes into account a number of factors, including safety, engineering, public input, costs, and available funds; and

WHEREAS, funding all projects, including GARVEE bonding projects, is becoming more challenging as:

There is a significant increase in the cost to construct projects due to high inflation;

There was a reduction in anticipated revenue due to a smaller than anticipated formula funding in the new Highway Act (SAFETEA-LU); and

There was a reduction in Idaho's obligation authority for federal dollars in 2006; and

WHEREAS, the maximum level of estimated bond proceeds within the bond financing and legal assumptions is \$998 million; and

WHEREAS, a project development and construction plan (Working Plan) needed to be developed that considered the funding challenges and the bonding limitation; and

WHEREAS, a Draft Working Plan has been developed; and

WHEREAS, this Draft Working Plan takes into account safety, infrastructure condition, current and existing traffic volumes, public input, project schedules, funding projections, project costs, and other factors.

*NOW THEREFORE BE IT RESOLVED*, that this Draft Working Plan, as shown as Exhibit 330, which is made a part hereof with like effect, will be submitted to the Governor and the legislature for the 2007 legislative session; and

*BE IT FURTHER RESOLVED*, that staff is authorized to include approved projects from the Draft Working Plan in the FY07–11 Statewide Transportation Improvement Program; and

*BE IT FURTHER RESOLVED*, the Working Plan will be updated annually based upon factors such as inflation, public input, changes in Idaho demographics, and updated engineering information as design within the corridors progresses.

The motion passed 4-1 with Member Sweeney dissenting.

2007 Proposed Legislation. Julie Pipal, Budget, Policy, and Intergovernmental Relations Manager, reported that the Division of Financial Management has approved four additional legislative ideas since the Board approved draft legislation last month.

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

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit proposed 2007 legislation

ITB06-70 to the Division of Financial Management for review and approval; and

WHEREAS, the Idaho Transportation Board at the July 20, 2006 meeting reviewed and approved legislative ideas for submission to the Division of Financial Management; and

WHEREAS, the Board at the July 20, 2006 meeting also authorized ITD staff to develop draft legislation for review and approval, prior to submission to the Division of Financial Management; and

WHEREAS, the Division of Financial Management approved legislative ideas for submittal as legislative proposals.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves submittal of the proposed draft legislation for the concepts as shown as Exhibit 331, which is made a part hereof with like effect, to the Division of Financial Management.

August 2006 Forecast Update. Doug Benzon, Economics and Research Manager (ERM) presented an updated forecast for ITD's FY08 and FY09 revenue. He is projecting a slight decrease in the anticipated revenue from fuel taxes, partly due to the volatile market and international events. Because of the expected continued population growth, revenue from vehicle registrations has increased, and there was basically no change to the projected revenue from miscellaneous sources.

University of Iowa Study in Boise. ERM Benzon reported that the University of Iowa has been awarded a federal grant to evaluate the feasibility of taxing vehicles based upon miles operated to replace the current revenue stream of taxing fuel. The study areas include Boise; San Diego, California; Austin, Texas; Baltimore, Maryland; the Research Triangle in North Carolina; and Eastern Iowa. The study will recruit volunteers to install a Global Positioning System in their vehicles to monitor travel on various systems, mileage driven, and times of operation. Study participants will be reimbursed for costs and an additional small consideration during the two-year study period.

In response to Chairman Bruneel's question on the number of participants in the City of Boise, ERM Benzon replied he was uncertain of the number of motorists that will be participating in the study, but he believes it will be approximately 200 people. Member Blick asked if ITD is

involved in the study. Although ITD is not directly involved, ERM Benzon said he has been in contact with the University of Iowa and offered ITD's assistance.

Rest Area Program. In response to last month's Board discussion on reducing the Rest Area Program from a \$10 million annual investment to \$5 million, ACE-O Laragan provided a chronology on previous Board discussions leading to the July 2004 decision to establish a \$10 million annual Program. A table comparing projects programmed in a \$10 million per year investment to a \$5 million annual program was provided. ACE-O Laragan summarized the Rest Area Program Manager's tasks and stated that he does not anticipate a conflict with Parametrix's agreement if the funding level of the Rest Area Program is reduced.

Member Miller emphasized that the Board has encouraged rest area partnerships over the years. He mentioned several rest areas where he believes there are partnership opportunities.

Chairman Bruneel asked if rest areas, especially in remote areas of the state, could be leased to a commercial entity. He believes that would provide a convenience to the traveling public and reduce the Department's costs. He asked staff to consider that feasibility. Member McHugh added that he has expressed support to construct rest area facilities in medians. Director Bower commented that there are federal regulations that must be adhered to for the facilities.

Member Blick made a motion to accept a \$5 million Rest Area Program for one year. Member Miller seconded the motion and it passed unopposed.

Oasis Rest Area, I-15, McCammon, District 5. Chief Engineer (CE) Steve Hutchinson said District 5 approached two commercial businesses to determine interest in partnering on an Oasis rest area in the McCammon vicinity. The federal Oasis program is a public/private partnership whereby a state department of transportation provides signing and cash assistance and in return the private partner provides rest area facilities that are accessible at all times to travelers.

CE Hutchinson reported that Flying J Corporation would like to partner with ITD. The business intends to begin construction on a new travel plaza at McCammon this fall, so there is some urgency in finalizing an agreement. CE Hutchinson said this partnership will enable ITD to close the existing rest area at Inkom. The Inkom facility is co-located with the port of entry (POE). Closing the rest area will free up limited space at the Inkom site for the POE and Idaho State Police activities and address safety concerns with the co-located facilities. He added that some issues, such as providing Division of Motor Vehicle services to the trucking industry at the Oasis rest area, need to be finalized. He said federal funding for the \$328,000 Oasis project is preferable; however, due to concerns with the potential of negatively impacting FY07 rest area projects and the urgency of the Oasis project, staff would like the option of utilizing Board Unallocated Funds if necessary.

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

RES. NO.        WHEREAS, the Idaho Transportation Board recognizes the need for flexibility and funding partnerships  
ITB06-71        for projects; and

WHEREAS, the Board recognizes the need to rebuild the Inkom Rest Area, which is currently scheduled in the STIP Mid-Horizon category at a cost of \$14,061,000; and

WHEREAS, the Board recognizes that rest area services can be provided at either Inkom or McCammon on I-15, since the 2 locations are approximately 12 miles apart; and

WHEREAS, the Board recognizes a unique opportunity to provide rest area facilities via a public-private partnership with the Flying J Corporation on I-15 at McCammon, and the facility can be provided at less cost than projected for rebuilding the rest area at Inkom; and

WHEREAS, the Board recognizes that a public-private partnership with the Flying J Corporation will be memorialized by an agreement signed by both parties, and that ITD's investment will be returned through the minimum agreement period.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the staff recommendation to create a public-private partnership with the Flying J Corporation and (1) directs staff to redistribute current year engineering funds from the Rest Area Program in the amount of \$328,000 to a new FY07 partnership project, or (2) allocates \$328,000 from the FY07 Board Unallocated Account to be used to fund the partnership if the funding of the partnership under the Rest Area Program will delay rest area projects.

New and Supplemental Professional Agreements Report. CE Hutchinson reported that the Consultant Administration Unit processed \$7,365,480 in professional, supplemental, and term agreements from September 1 to September 30, 2006.

Contract Awards. CE Hutchinson said the low bid on STP-9803(100), key #7192 – Maple Grove Road, Franklin to Fairview, Ada County, District 3, was more than ten percent over the engineer's estimate, was more than \$5 million, and exceeded the programmed amount, requiring Board approval. District 3 and the project sponsor, Ada County Highway District (ACHD) reviewed the bids. The engineer's estimate was based on the Average Unit Price Reports and bid

abstracts. The main difference between the engineer's estimate and the low bid was with several concrete-related items, such as concrete paving, storm sewer pipe, and pedestrian ramp. Staff does not believe re-bidding the project would result in lower prices as concrete is currently very expensive due to the limited cement supply. ACHD has agreed to pay the estimate overages. Staff recommends awarding the project.

Member Blick made a motion to award the contract on key #7192 to the low bidder: Idaho Sand & Gravel Company, Inc. - \$10,960,472.43. Member Miller seconded the motion and it passed unopposed.

The low bid on IM-STP-NH-84-1(043)29, key #7795 – I-84, Franklin Road Interchange, Caldwell, Canyon County, District 3, also met the above three criteria, requiring Board approval. CE Hutchinson said construction of the irrigation facilities is critical for maintaining a two-season construction schedule. If the project is re-advertised, there would be insufficient time to complete work on the irrigation structures, resulting in a delay of the project. This would result in an adverse impact to the traveling public. He said the low bid and engineer's estimate differed on Excavation; Granular Borrow, Granular Sub base, and ¾" Aggregate Type A for Road Base; and Urban Concrete Pavement. It is believed that the unit bid prices reflect the typical rates for this area with the current construction environment. Staff does not believe re-advertising the project would result in lower bids, so recommends awarding the project. It was noted that this is the earlier-mentioned project that would be funded utilizing the advance construction mechanism.

Member McClure made a motion to award the contract on key #7795 to the low bidder: Concrete Placing Company, Boise, Idaho - \$24,751,554.19. Member Blick seconded the motion and it passed unanimously.

New Business. Member McClure made a motion, seconded by Member Sweeney, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, Scarsella Brothers, Inc. filed a contract claim over the construction of US-95, Bellgrove to Mica,  
ITB06-72 known as project #NH-CM-5110(119), key #2815; and

WHEREAS, parties entered into an agreement for mediation and potentially binding arbitration to address the issues in the claim; and

WHEREAS, the parties engaged in mediation in an attempt to resolve this matter and have successfully reached resolution to the claim pending Idaho Transportation Board approval.

*NOW THEREFORE BE IT RESOLVED*, that the Board hereby approves payment to



the contractor in the amount of \$150,000 as a final resolution of all claims related to this project.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:50 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
November 15, 2006  
Boise, Idaho

SPECIAL SESSION AND REGULAR MEETING  
OF THE IDAHO TRANSPORTATION BOARD

November 13-16, 2006

Idaho Transportation Board Chairman Frank Bruneel called a special meeting of the Idaho Transportation Board at 2:10 PM, on Monday, November 13, 2006. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5

Executive Session on Personnel Issues, Section 67-2345, Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 2:10 PM to discuss personnel issues. Member Sweeney seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on personnel issues related to hiring a public officer. John McHugh, Member, District 1, joined the meeting in progress.

The Board came out of executive session at 5:05 PM. No final actions or decisions were made.

WHEREUPON the meeting recessed at 5:05 PM.

November 14, 2006

The Board reconvened in executive session at 8 AM on Tuesday, November 14, 2006, in Boise, Idaho. All members were present.

A general discussion was held on personnel issues related to hiring a public officer.

The Board came out of executive session at 5:40 PM. No final actions or decisions were made.

WHEREUPON the meeting recessed at 5:40 PM.

November 15, 2006

The Board reconvened in regular session at 8:40 AM on Wednesday, November 15, 2006, in Boise, Idaho. All members were present.

Board Minutes. Member McClure made a motion to approve the minutes of the regular Board meeting held on October 17-18, 2006 as submitted. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

December 13-14, 2006 – Boise

January 17-18, 2007 – Boise

February 21-22, 2007 – Boise

Consent Calendar. Vice Chairman Combo requested the removal of the report on erecting geological signs at rest areas and other locations as appropriate from the consent calendar and to schedule a discussion on that topic at the January meeting.

Member Blick made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the

ITB06-73 removal of Valley View Elementary School Parking Lots Pavement, Bonners Ferry, District 1; an adjustment to a local enhancement project match requirement; delay of West Fork Pine Creek Bridge, Shoshone County, District 1, to FY08 Local Bridge Program; the addition of Forest Highway 82, Middle Fork Road, Elmore County, District 3, to FY07 Emergency Relief Program; the certification of revenue and disbursements; and the administrative settlement on parcel #31; and has received and reviewed the contract award information, and the September financial statement analysis.

1) Removal of Valley View Elementary School Parking Lots Pavement, Bonners Ferry, District 1, Key #C108. On behalf of Boundary County School District #101, the City of Bonners Ferry applied for funding to pave parking lots at Valley View Elementary School. The Board approved the project in the FY07 Statewide Transportation Improvement Program in the Congestion Mitigation and Air Quality Program. The School District is requesting removal of the project from the FY07 STIP.

2) Adjustment to a Local Enhancement Project Match Requirement. The City of Idaho Falls has requested that the federal-aid match ratio on the Pancheri Bridge to South Pedestrian Path project, key #9765, be modified from 49.85% to 87.26%. When the project was originally approved, its

total cost was \$1,003,000, including \$430,000 in right-of-way purchases. The project request was above the maximum \$500,000 in federal-aid and its match ratio was calculated based on all costs above \$500,000. The City of Idaho Falls has discovered that the Bureau of Land Management owns the land and would provide a recreation easement. With the right-of-way purchase removed, the total cost of the project is \$573,000.

3) Delay of West Fork Pine Creek Bridge, Shoshone County, Key #7216, District 1, to FY08 Local Bridge Program. The West Fork Pine Creek Bridge project is a bridge replacement project sponsored by Shoshone County in the FY07 Local Bridge Program for \$661,000. The County has requested that the project be delayed from FY07 to FY08 due to delivery issues.

4) Addition of Forest Highway 82, Middle Fork Road, Elmore County, District 3, to FY07 Emergency Relief Program. In May 2006, heavy rainfall triggered flooding and erosion that resulted in a washout of several hundred feet of roadway on Forest Highway 82, Middle Fork Road, in Elmore County. The Governor issued a disaster emergency proclamation and Federal Emergency Relief (ER) funding was requested for reimbursement of the costs for emergency and permanent repairs. Notice of an allocation of ER funds in the amount of \$459,000 was received in September. Repairs have been completed at an estimated cost of \$459,000. Staff requested addition of the Forest Highway 82, Middle Fork Road, to FY07 of the Emergency Relief Program in order to utilize the ER funding allocation.

5) Certification of Revenue and Disbursements. The certification of receipts and disbursements cash basis, as shown as Exhibit #332, which is made a part hereof with like effect, was submitted for Board approval in conformance with the requirements of Section 40-708, Idaho Code. The Department's net resources available on June 30, 2006 were \$553,375.

6) Administrative Settlement on Parcel #31. District 4 is acquiring right-of-way to construct Stage II of the US-93, Twin Falls Alternate Route project, key #5404. An offer was made to acquire right-of-way from Stan Detweiler. Mr. Detweiler counter-offered with a higher per acre cost and negotiated for replacement of the local access road into his subdivision because ITD was eliminating the existing access road. Upon completion of negotiations, staff requested an administrative settlement in the amount of \$163,668 in addition to the original offer as just compensation for acquisition of the real property taken and/or damaged on Parcel #31.

7) Contract Awards. Key #9565 – SH-33, Henry's Fork to Intersection 12<sup>th</sup> West, Rexburg, District 6. Low bidder: H-K Contractors Inc. - \$1,732,950.

Key #8571 – Payette County Pipe Replacement, District 3. Low bidder: Accelerated Paving Company, Inc. - \$193,240.

Key #8897 – SH-25, Downard Bridge, Minidoka County, District 4. Low bidder: Cannon Builders Inc. - \$120,426.

Key #8256 – US-26/SH-46, Intersection US-26/SH-46, Gooding, District 4. Low bidder: DEBCO - \$1,916,694.

Key #9413 – I-84, Dynamic Message Sign, Ada County, District 3. Low bidder: Quality Electric, Inc. - \$323,403.

Key #10736 – US-95, District 3, Council Stockpile. Low bidder: Seubert Excavators, Inc. - \$96,843.

Key #10737 – SH-21, District 3, Idaho City Stockpile. Low bidder: Western Construction Inc. - \$248,900.

Key #8048 – I-84, Locust Grove Grade Separation, District 3. Low bidder: Concrete Placing Company - \$5,845,010.

Key #8685 – Gray's Avenue to Indian Head Road, Weiser, District 3. Low bidder: WF Construction & Sales, LLC - \$601,758. The low bid was more than ten percent over the engineer's estimate, requiring justification. The Local Highway Technical Assistance Council (LHTAC) did not see any potential benefit from re-advertising the project. All three bids were relatively close in cost and the cost differential was mostly from asphalt and mobilization. LHTAC will provide \$165,000 so that the low bid may be accepted and the project constructed. The City of Weiser has agreed to pay the local match for the additional cost of the project.

Key #8781 – FY02 Moscow Intelligent Transportation System, District 2. Low bidder: Power Engineers, Inc. - \$855,915.

8) September Financial Statement Analysis. Total federal aid revenue for September was 8% or \$7.3 million less than through September 2005. Federal indirect cost recovery was \$8.5 million through the end of September. Revenue from the Highway Distribution Account was .74% ahead of projections. Expenditures were less than budgeted. In contract construction, the federal program was less than projections by 4% and the state program was behind spending projections by 17%.

Aviation fuel tax revenue through the end of September was \$12,000, or 2%, more than projections. Miscellaneous revenue, including air pool operations, was 20% below the forecast. Minimal federal funds were received. Overall expenditures were less than budgeted.

In the GARVEE Capital Projects fund, ITD requested a total of \$2.56 million from bond proceeds. Expenditures were made on authorized projects; however, there was a difference between receipt of bond proceeds and expenditures of \$667,797 due to timing of funds received and payments made. The monthly payments for state match in the GARVEE Debt Service Fund were \$173,969. The cash transferred into and also the disbursement out of this Fund through the end of September was \$521,908.

Director's Report. Director Bower reported on the recent American Association of State Highway and Transportation Officials conference he attended. Some of the key topics were the commissions established in the Safe, Accountable, Flexible, and Efficient Transportation Act – A Legacy for Users to address the future of the surface transportation system and funding.

The GARVEE Office has a full personnel complement and staff is proceeding with the GARVEE working plan, Scenario 7, that the Board approved last month.

Director Bower announced that Matt Moore has been selected to fill the Transportation Planning Administrator position. Mr. Moore is currently the Research Program Manager.

Director Bower said Steve Moreno, Division Administrator, Federal Highway Administration (FHWA), has announced his retirement.

Delegation – City of Post Falls. Post Falls Mayor Clay Larkin said the City has developed a plan to proceed with the Access 90 project. It is willing to contribute \$350,000 for the completion of the Environmental Impact Statement (EIS) on the Greensferry Interchange project. Mayor Larkin said he has been working with Member McHugh and District Engineer Scott Stokes on this proposal.

In response to Member Sweeney's question on construction funds, Mayor Larkin responded that the \$350,000 will only complete the record of decision. He understands no construction money has been identified for the project. The City intends to identify its required match while the environmental document is being completed. Director Bower stressed that the EIS will have a shelf life and may need to be updated depending on the timeline and actions taken.

Member Blick made a motion to accept the City of Post Falls' offer of \$350,000 to complete the EIS on the I-90, Greensferry Road project, with the involvement of the Department's legal staff to prepare a written agreement between ITD and the City of Post Falls stipulating that no construction funds are being committed for the project. Member McClure seconded the motion and it passed unopposed.

Chairman Bruneel complimented Mayor Larkin for the City's initiative on this partnership

project.

Mayor Larkin thanked the Board for accepting the offer. He acknowledged the excellent partnership that Post Falls has established with the Transportation Department and thanked the Board members for their dedication and service to the state.

Delegation – Idaho Trucking Association (ITA). Paul Sudmeier, President/Chief Executive Officer, ITA, summarized the 2007 legislative proposal regarding super single tires. He has been working with ITD staff on the proposal to eliminate the prohibition of single tires on single axles or within groups of axles except for steering axles, steering variable load suspension axles or when equipped with wide tires 15 inches wide or greater. Currently, it is illegal to equip any vehicle with only two tires on an axle unless the tires are at least 15 inches wide, including pickup trucks and automobiles. He said the preservation of the infrastructure is assured with the proposal, and he urged the Board to support this legislation.

Chairman Bruneel thanked Mr. Sudmeier for the information.

Delegation – Roy Eiguren Representing Amalgamated, Milk Producers, and US Ecology. Mr. Eiguren said the first report to the legislature on the 129,000 pound pilot project is due in 2007. He has been working with ITD staff on information for the report and complimented staff for its work on this project. He expressed interest in adding additional routes to the pilot project.

Simon Bell, Vice President of Operations for US Ecology, summarized benefits realized due to the allowance of 129,000 pound vehicles on selected routes, particularly Simco Road. The pilot project justified a \$1.6 million private investment to pave a dirt road, directing truck traffic away from the Mountain Home community. It is saving over 1 million truck miles annually or over 16,000 truck trips per year by US Ecology Idaho, Inc. This is resulting in improved public safety, reduced air emissions, and minimized state and county road maintenance costs. It is saving the company \$1.5 million a year in trucking costs. Additionally, it is providing benefits to other businesses and citizens because the improvements to Simco Road are providing a better, more efficient route for travelers.

Member Miller commented that the reduced truck trips reduce the fuel purchased, which decreases the Department's revenue. Member Blick expressed concern with local roads, as a number of local routes were not constructed for 129,000 pounds. Although some large companies such as US Ecology can provide funding to upgrade routes, most trucking companies are not in a financial position to do that.

Mr. Eiguren emphasized that the pilot project legislation requires approval of impacted jurisdictions before routes can be included in the project. The 129,000 pound allowance is not

intended to negatively impact safety, roads, or bridges. If local entities do not want to allow 129,000 pound weights on their roads, those routes will not be pursued.

Amalgamated Sugar Company LLC Transportation Manager Brian Whipple summarized the impacts the pilot project is having on the company. He emphasized that the project has been beneficial and is saving the company money through less miles traveled and reduced fuel costs. He expressed support to add more routes to the pilot project.

In response to Member McHugh's question on which routes the delegation would like to add to the pilot project, Mr. Eiguren responded that the routes have not been finalized. A meeting will be held next week to consider which routes to propose. Motor Vehicles Administrator (MVA) Alan Frew added that staff is working with the group and will be determining which routes can handle 129,000 pounds, with special consideration given to bridges.

Agricultural Load Securement. MVA Frew reported that Idaho farmers are exempt from Federal Motor Carrier Safety Regulations regarding load securement regulations. Idaho Code stipulates that intrastate carriers shall be exempt from safety inspections and compliance reviews if motor vehicles are controlled or operated by any farmer when used in the transportation of farm equipment or supplies. Due to an earlier Board discussion on the concern with hay bales not being secured, MVA Frew acknowledged that there is no securement requirement, resulting in a possibility of loads shifting and/or falling. He added that farmers need to comply with the Federal Motor Carrier Safety Regulations if traveling interstate. He provided information on several other western states' statutes related to farmers transporting hay.

Idaho State Police Sergeant Jim Eavenson believes there is a need to address this issue, particularly with the state's increased traffic.

Member Blick expressed safety concerns with hay bales falling off of transport vehicles. He believes the industry should address this safety issue.

Farm Bureau representative Dennis Tanakuni and Grain Producers representative Dar Olberding expressed support to work with ITD to address the agricultural load securement issue.

The consensus of the Board was to include the agricultural industry in the development of load securement legislation. Staff was directed to revise the resolution to incorporate that change and to revisit the item. (See later minute entry.)

Federal REAL ID Requirements, National Issues, Customer Service Issues, Costs, and Current Status. Ed Pemble, Driver Services Manager (DSM), summarized the federal REAL ID Act, signed into law in May 2005, containing minimum document requirements for federal



recognition of a state-issued driver's license or identification card. States must be in compliance with the requirements by May 11, 2008, or the driver's licenses or identification cards will not be recognized for any official federal purpose.

National issues related to the REAL ID Act, according to DSM Pemble, are a looming deadline without rules from the Department of Homeland Security, no word on federal funding, and not all verification databases are functional. Some customer service issues include opposition that the new requirements are invasive, unreasonable and bureaucratic; it is a federal identification system; and customer visits will increase and be longer.

DSM Pemble said the Board approved submitting a legislative proposal to address the REAL ID Act for the 2007 session; however, the Division of Financial Management disallowed the legislative concept due to its significant impacts and controversial nature. Some discussion was held on making the federal requirements optional for Idahoans seeking a driver's license, with the understanding that if an individual does not request a drivers' license under the federal guidelines, it would not be an acceptable form of identification for federal purposes.

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

RES. NO. WHEREAS, the Department of Homeland Security has not finalized rulemaking that would give states

ITB06-74 direction and the needed information on how the REAL ID Act is to be implemented; and

WHEREAS, cost estimates to implement the REAL ID Act cannot be fully ascertained prior to release of the Department of Homeland Security rules; and

WHEREAS, the Department of Homeland Security has not provided the necessary funding to implement the REAL ID Act; and

WHEREAS, the REAL ID Act allows states to request an extension of time from the Department of Homeland Security to implement the REAL ID Act.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board will hold the REAL ID Legislative idea for final consideration until such time that the Department of Homeland Security releases its rule, which will provide the needed information for proper planning, legislation, and budgeting; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to prepare an extension letter for submission at the appropriate time to the Department of Homeland Security

requesting that the state be allowed a maximum amount of time to implement REAL ID requirements.

Director Bower commented that the REAL ID Act is a public policy issue. An overall plan needs to be developed, as there are other components related to this Act, including the Voter ID Act and the need to upgrade DMV's computer systems. He believes it may be appropriate to discuss this issue with legislators.

Division of Motor Vehicles' (DMV) Visioning Session/Scope of Modernization Project. DMV Automated Systems Manager (ASM) Shannon Barnes reported that touch screen testing stations for drivers' licenses have been installed in 19 counties with plans to install stations in the remaining counties early next year. Staff is working with Correctional Industries on transitioning to digital license plates. Work is proceeding on upgrading the communication infrastructure at the county Emergency Operations Center with the assistance of a Department of Homeland Security grant. The replacement of the Datapoint interface is proceeding well, according to ASM Barnes. The next steps on the modernization project include presenting strategy options to the Executive Team and then providing recommendations to the Board next month.

Executive Session on Legal Issues, Section 67-2345, Idaho Code. Member Sweeney made a motion to meet in executive session at 11:35 AM to discuss legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on pending or probable litigation related to landscaping agreements, access on Overland Road near I-84 in Meridian, jurisdiction of Yellowstone Road, Coeur d'Alene Lake Drive, and the operation of the state highway system.

The Board came out of executive session at 1 PM. No final actions or decisions were made.

Idaho Traveler Opinion and Perception Survey. Consultant Rebecca Elmore-Yalch, President and Chief Executive Officer of Northwest Research Group, Inc. summarized the Idaho Traveler and Opinion Survey conducted in 2004. More than 600 Idaho residents participated in a phone survey as part of a larger national survey commissioned by FHWA. For the 2004 survey, FHWA provided states with the option of purchasing additional samples to provide data for a state's own internal review and analysis.

Overall, residents are satisfied with the quality of their transportation system. Compared to other benchmarks, Idahoans are more likely to be "in the middle" as to worth of tax dollars spent to build or maintain transportation infrastructure. Other key findings include traveler information exceeds expectations, travelers are satisfied with their region's transportation services, and compared to other benchmarks, residents feel the transportation system does an average job of

serving those with special transportation requirements.

Revisions to Board Policy B-11-03, Transportation Enhancement Program. As a result of an earlier review of the Enhancement Program to develop process improvements and a meeting of the Board Subcommittee on the Transportation Enhancement Program, Intermodal Planning Manager Pat Raino proposed revisions to Board Policy B-11-03, Transportation Enhancement Program. The main revisions to the policy are to change the state match to the federally approved adjusted rate for Idaho, which is 7.34%; add an administrative approval mechanism for increasing the cost of a project; add a representative from the Safe Routes to School Committee to the Enhancement Advisory Committee and modify the member representing scenic interest so that it rotates every two years between various land resource agencies; and change the responsibilities from the Chief Engineer to the Director.

Vice Chairman Combo made a motion to approve the revisions to Board Policy B-11-03, Transportation Enhancement Program. Member McHugh seconded the motion and it passed unopposed.

Annual Report on Idaho's Transportation Research Program. Research Program Manager and newly-appointed Transportation Planning Administrator Matt Moore summarized the research activities for FY06 and FY07. Some of the activities this year included the development of a financial tracking system, the organization of a day-to-day project administration process, providing access to existing research outputs from the Transportation Research Board and ITD, and joining the T2 Center Advisory Committee as the program contact. Some of the topics included in the FY06 research program were work zone delays; mechanically-stabilized earth walls; structural capacity of pavements; the effect of chemical admixtures on the durability of concrete; and vegetation management. Some of the external program review processes planned for FY07 are to initiate discussion with program partners like state universities, Idaho National Laboratory, contractors, and consultants, regarding program participation; develop a research webpage to allow staff access to research tools; and map existing and new expertise within and outside of ITD, staff management, and technical research committees.

Chairman Bruneel thanked Research Program Manager Moore for the informative presentation and congratulated him on his promotion to division administrator.

Video Clippings. Public Affairs Officer (PAO) Jeff Stratten presented video clippings of the recent I-15, Sunnyside Interchange dedication ceremony and a media story related to southwestern Idaho's representation on the Board and the amount of money the area receives on a per capita basis.

Maintenance of Landscaping, Boise City's Landscaping Agreements. District 3 Engineer Eric

Shannon provided an historical overview on the City of Boise's landscaping agreements with ITD for I-84, I-184, and US-20/26. Due to budget constraints, the City of Boise is considering eliminating landscape maintenance on the state highway system. The City's intent also impacts the proposed landscaping projects currently under development that the City had requested and originally intended to maintain on I-84 from I-184 to Cole Road and on I-184 from the Wye Interchange to the Curtis Road Interchange. Although the city has included funding in its budget to maintain the existing landscaping through summer 2007, the Department's options if the city does not maintain the landscaping in the future include maintain all existing landscaping; maintain the existing landscaping plus build and maintain the proposed landscaping on the I-184, Wye Interchange; and remove the existing landscaping and replace it with erosion control dryland seeding.

FHWA Division Administrator Moreno summarized the federal requirements related to landscaping. States are responsible for the maintenance, although maintenance agreements with local entities are acceptable. He said that FHWA can restrict future funds if projects are not being properly maintained.

Member McClure commented that ITD has three signed agreements with the City of Boise and that the City was involved in the initial landscaping decisions. He believes the municipality needs to abide by the agreements. Vice Chairman Combo added that the issue is statewide and Boise's decision on landscaping could have significant impacts.

Member McClure made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board has a broad range of responsibilities in dealing with local

ITB06-75 units of Idaho Government, including but not limited to landscaping of highway interchanges, various maintenance agreements, road closures, and construction of off-highway improvements for the benefit of the local unit of government; and

WHEREAS, these responsibilities involve agreements between the Board and the local unit of government; and

WHEREAS, many times these agreements involve the expenditure of federal-aid highway funds for which if the agreement is not fulfilled the Federal Highway Administration will look to the Board for repayment of the federal funds; and

WHEREAS, the Board enters into these agreements with the local units of government in good faith knowing that the Board will commit major funding at the

inception of the agreement with the local unit of government committing to an ordinary and necessary expense of maintaining the improvement or section of highway; and

WHEREAS, these agreements and projects are for the benefit of the local unit of government and its citizens and not a primary benefit to the state highway system.

*NOW THEREFORE BE IT RESOLVED*, that the Board considers these agreements to be legally binding contracts and has an expectation that all local units of government will fulfill their current and future contractual obligations.

Highway Debris. Highway Operations and Safety Engineer (HOSE) Brent Jennings said no written procedures are in place to address removal of highway debris separate from the debris created by crashes or environmental issues associated with disposal of debris from rock slides and other emergencies. The Districts do not schedule patrols for roadway debris. During winter months, when operation crews patrol highways to update the Internet and phone-based road reports, standard practice is that debris encountered is dealt with upon discovery.

HOSE Jennings said it is feasible to implement daily road patrols on roadway sections that experience large quantities of debris; however, the effect would be to reduce personnel resources for other maintenance, operations, and construction inspection activities. Districts could outsource daily patrols and debris removal, but the effect would be to reduce operating budgets for other maintenance and operations activities. Roadside signs could be installed with phone numbers to report roadway debris. The signs would have to be prioritized and installed as workload and budgets allow. Considerations in this approach would be the accuracy of debris location reports, non-debris related telephone calls, and assigning a telephone number that could accept the calls and respond to them in a timely manner without adversely affecting other ongoing operation activities. He recommends authorizing the district engineers to develop localized specific plans to address debris removal that will fit into existing operations and minimize adverse manpower and budget impacts. This will be a topic of discussion at an upcoming meeting with all district engineers.

Vice Chairman Combo requested a legal opinion on liability, specifically related to the Board's duty. (See later minute entry.)

Design-Build Project Delivery. Roadway Design Engineer (RDE) Damon Allen said design-build project delivery combines project design and construction into one contract. It is a method of addressing schedule, cost, and quality constraints by selecting the firms that can provide innovative solutions to the design and construction of projects within defined constraints. Studies have shown that design-build provides potential for savings in overall design and construction

durations and to a lesser extent, costs. RDE Allen said ITD's legal counsel recommends that ITD seek express statutory authority before attempting to use the design-build option on highway projects. Idaho Code allows for design-build for buildings.

In response to Member McClure's question on the typical size of projects to use for design-build, RDE Allen replied that projects in the \$30 to \$50 million price range may be appropriate for Idaho. He added that the Associated General Contractors of Idaho indicated a desire to partner with ITD if design-build is pursued.

The consensus of the Board was to pursue the design-build project delivery method.

New and Supplemental Professional Agreements Report. Chief Engineer Steve Hutchinson reported that the Consultant Administration Unit processed \$803,220 in professional, supplemental, and term agreements from October 1 through October 29, 2006.

Revenue Plan. Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided various funding options for the Board's consideration. The initial components included a fuel tax increase; the elimination of the ethanol exemption; a registration fee increase; a rental car fee; the dedication of a percentage of the annual sales tax collected on transportation-related items, i.e. vehicles and tires; increasing permit fees; increasing fees for ITD services; and collecting impact fees.

Discussion followed on the various revenue sources. General consensus was to target an additional \$200 million annually, to substitute a sales tax on fuel purchased instead of increasing the fuel tax but retaining the existing fuel tax, and to not pursue a percentage of sales tax on transportation-related items. Staff was asked to develop additional funding scenarios for the Board's consideration based on the discussion and direction provided. (See later minute entry.)

Delegation – Representative Leon Smith. Representative Smith summarized proposed legislation he is developing related to the GARVEE Program. He emphasized that the Board should be establishing the project priorities, not the legislature. The debt service would be limited to 20% of federal funds; however, it could be exceeded for emergency projects. The proposal stipulates each project shall be a separate line item request with projected annual costs.

Chairman Bruneel thanked Representative Smith for his presentation. He summarized the Board's action last month. It established priorities in the approved Scenario 7 working plan, which is a scaled-back plan due to the Department's funding concerns.

Representative Smith said the Board needs to identify its priorities in case the legislature does not approve funding the plan at \$200 million. Member Blick commented that the Board needs

flexibility to adjust projects in case issues come up that cause delays to projects, such as unanticipated environmental issues. He expressed concern if the legislation is too restrictive. Representative Smith responded that the legislation could include language to that effect.

Member McClure expressed concern with the 20% cap limit. Representative Smith stated that at one time, only two states using GARVEE bonds exceeded the 20% federal limit. He does not have current information on states using GARVEE bonds.

Member Miller suggested taking the elements of the proposed legislation and incorporating the Board's approved Scenario 7 working plan. Director Bower said he would meet with Representative Smith to develop acceptable legislation that addresses the mutual concerns.

Chairman Bruneel thanked Representative Smith for meeting with the Board.

WHEREUPON the meeting recessed at 5 PM.

November 16, 2006

The Board reconvened in regular session at 8:30 AM on Thursday, November 16, 2006, in Boise, Idaho. All members were present.

Special Use Permit Application for Reed Ranch Airstrip. Aeronautics Administrator (AA) Bob Martin said the property known as Reed Ranch, located on the South Fork of the Salmon River, has been the subject of a land exchange between the private property owner and the US Forest Service. An airstrip located on the property had been open to the public for aircraft use. After the land exchange, the Forest Service closed the airstrip to the public except for use by prior permission. AA Martin said the airstrip not only supports the state's recreation and tourism industries and is the most southerly access to the South Fork of the Salmon River, but is also strategically located to serve as a safe landing point for air traffic returning to the McCall, Cascade, and Boise areas during inclement weather. In accordance with Board Policy B-27-08, Acquisition and Closure of State Airports, AA Martin will be submitting a written recommendation for the acquisition of the Reed Ranch Airstrip for the Board's consideration next month.

In response to Member McClure's question on costs, AA Martin replied that the costs to operate the airstrip would be minimal, approximately \$1,000 per year.

Member McHugh expressed concern with the Division of Aeronautics' financial situation and questioned the addition of another facility, which will require resources. Member Sweeney

responded that the Reed Ranch Airstrip is at a strategic location. It would address a safety concern. AA Martin added that although costs are a concern, costs will be minimal. He said there is extensive support for the backcountry network and a number of volunteers provide assistance with maintaining and operating the various airstrips.

Member Sweeney reported that staff has been working on issues with the Johnson Creek Bridge. The bridge needs improvements and currently has restrictions placed on it. Ownership of the bridge has to be ascertained.

Mark Young, Airport Maintenance Manager, said the bridge was built in 1957 by a private party. The Department has been maintaining the bridge for many years. The bridge will need to be replaced soon. He added that the Johnson Creek Airport is one of the highest utilized facilities in the state.

DMV Services Provided through the Internet. Chief Technology Officer Liza Fox said Idaho's e-government initiative is called Access Idaho. Through coordination with many state agencies, the web site provides citizens with access to state services. ITD is a valuable partner to this service and access to the motor vehicle services has been improved. Over the last six years, Access Idaho has processed more than \$35.4 million in gross sales on behalf of ITD. Staff anticipates the site will handle more than one million financial transactions in 2006. Providing these services is beneficial because there is no direct cost to ITD for operations, it alleviates customer service loads, it frees up information technology resources, and it allows for rapid procurement to ensure system stability.

DSM Pemble elaborated on the DMV services provided through Access Idaho. Each DMV section has a web site offering information and forms plus links to various sites such as motor vehicle laws in Idaho Code, administrative rules, and voter registration information. Some of the online services available include ordering personalized and sample plates, searching vehicle and driver records, registration renewals, and hazardous materials endorsements. Additional services will be added in the future, including special license plate applications, driver's license renewals, and change of address requests.

Chairman Bruneel thanked staff for the informative presentation.

Administration Division: Purchasing Unit – Professional Services Agreement Information.

Purchasing Agent Tina Klamt summarized the Purchasing Unit's responsibilities to secure professional service agreements for services not requiring qualification based selection. Two selection and contracting processes based on time period and total cost are utilized. Contracting tools and controls have been built into the professional service agreement processes, including agreements under \$50,000 require fully burdened hourly rate and not to exceed cost; weighted



evaluation and award using qualifications, methodology, and cost; and multiple award contracts for services over \$50,000. These agreements are used for services like safety training, graphic design, software modifications, and a wind study.

Business and Support Manager Kathy Chase elaborated on spend management, which involves spend analysis, strategic sourcing strategies, training procurement best practices, and measure, monitor, and compliance.

Chairman Bruneel thanked staff for the overview on professional service agreements.

Audit Stewardship and Oversight of Large, Non Traditional Projects Scan Tour. Internal Review Manager (IRM) Carri Rosti said some state and federal managers believe there is a need to improve effective audit oversight and stewardship on large and non traditional road transportation contracts. Under the auspices of FHWA's International Exchange Program in cooperation with Transportation Research Board's National Highway Research Cooperative Program and the American Association of State Highway Transportation Officials, a scan team of 12 audit and financial management specialists from the federal and state government, the private sector, and academia visited Europe to search for best practices in the area of audit stewardship and oversight. IRM Rosti participated in the scan tour earlier this year. She reported on the European audit practices, both independent and internal; stewardship of the government's assets; and oversight of large road projects, many of which were accomplished through public-private partnerships.

Delegation – Senator Skip Brandt, Chairman, Senate Transportation Committee. Senator Brandt said he will be leaving the state legislature at the end of this year and will be sharing his perspectives as outgoing chairman of the Senate Transportation Committee. He said working with the Transportation Department has been enjoyable and a good experience. He expressed concern that some mistrust has developed with the legislature and ITD, partly due to misconceptions. He emphasized the importance of good communication and education, not only with the legislature, but with the public. The GARVEE Program and Statewide Transportation Improvement Program are complex and can be confusing, so it is important to provide sufficient information and explain the programs in easily-understood terms.

Senator Brandt believes employee morale is a concern, as well as the retention of qualified staff, particularly engineers. He encouraged the Department to address workforce issues and to work with the Governor's Office and legislature on solutions such as pay increases.

Senator Brandt thanked the Board for its time and service to the state.

Member Blick commented that in recent years, it has been difficult to get legislators to attend the

legislative outreach meetings conducted in each District. Senator Brandt concurred that some legislators take a more active role in transportation and various issues. He suggested being more aggressive in contacting legislators, particularly those with specific concerns. In response to Member Sweeney's question on the Department's efforts to provide information and answer questions, Senator Brandt said overall, staff does an excellent job working with legislators. The GARVEE Program was an exception, partly due to the involvement of the Governor's Office and the need to provide information without sufficient time to prepare the data. He also commented that communication was poor on the effort to increase truck weights, specifically which routes could handle the additional weights. He added that the problem may have been the use of technical language, which most legislators don't understand.

Chairman Bruneel thanked Senator Brandt for his comments. He commended Senator Brandt for his service to the state and expressed appreciation for the Senator's efforts on behalf of transportation.

Old Business. Member Blick made a motion, seconded by Vice Chairman Combo, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board desires to promote and encourage the safe movement  
ITB06-76 of agricultural commodities on highways in Idaho; and

WHEREAS, farmers transporting agricultural commodities are exempt from the load securement requirements of the Federal Motor Carrier Safety Regulations during intrastate movements; and

WHEREAS, there have been numerous incidents of large, baled agricultural commodities being lost from the transporting vehicle onto highways adversely affecting the safe movement of traffic; and

WHEREAS, the Idaho State Police is the lead commercial vehicle safety agency and empowered with statutory and administrative rulemaking authority under Section 67-2901A(2), Idaho Code, to promulgate administrative rules for the safe intrastate movement of exempt agricultural commodities in Idaho.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs staff to prepare and submit a written request to the Idaho State Police urging the expeditious joint development of load securement legislation involving stakeholder representation, such as the Hay Association, Grain Growers, Idaho Department of Agriculture, the dairy industry, and other such agricultural associations as appropriate.

Regarding debris on highways, DAG Vogt said the Department has a duty to maintain the state highway system; however, the Board has the discretion as to the extent of that duty. For example, erecting signs along the highway to address the debris issue would be a discretionary activity.

Member Blick made a motion to direct staff to pursue signing to provide the public with a phone number to report debris on highways. Member McClure seconded the motion.

Member McClure expressed concern with the costs associated with signing. Member Blick stated that signing may not be the answer, however, he would like the issue addressed. He believes debris on roads is a safety issue and the Board is responsible to provide safe highways.

Member Miller commented that there may be two issues involved. Trucks losing recaps is a different issue than an unsecured load resulting in debris on highways. Enforcement may be an issue.

Member Sweeney does not believe signing is realistic. As soon as ITD personnel remove debris from a section of highway, another motorist may lose an object in the same vicinity. It may be difficult to respond to every call in a timely manner.

Vice Chairman Combo suggested revisiting this issue after HOSE Jennings has an opportunity to visit with the district engineers about debris on highways.

Member Blick withdrew his motion. Member McClure concurred.

Joint Meeting – Motor Carrier Advisory Committee (MCAC). MVA Frew reported on recent personnel changes at ITD. He summarized the Governor's Executive Order of February 1, 2006, restructuring MCAC.

GARVEE Program Manager Nestor Fernandez outlined the GARVEE Program approved by the Board last month, Scenario 7, and provided a status of each project. He stated that safety, congestion, and pavement condition were some of the factors the Board considered in developing the Plan. The projects will be reviewed annually and adjustments will be made as necessary to successfully complete the projects.

Chairman Bruneel added that the Board scaled back the GARVEE Program. The Board is concerned with the Department's relatively flat revenues plus commitments such as personnel costs and increasing construction costs. He believes the Board has developed a realistic program.

MCAC Chairman Jack Buell emphasized the importance of US-95, the state's main north-south route. He believes the stretch of US-95 between Riggins and New Meadows needs improving. He

asked if a project in that area was considered for funding.

Member Sweeney concurred with the need to improve that road and said he has suggested funding improvements. Member McClure also acknowledged the need to improve that road, plus US-95 between Tamarack and Council. He added that there are numerous needs throughout the state and due to the Department's limited revenue, it is difficult to prioritize projects. Traffic counts are one consideration. Member Miller added that GARVEE bonds do not provide additional money. With the Department's buying power decreasing considerably since 2003, the Board has significant financial constraints, but Member Miller said the Board is desirous of improving US-95.

MCAC Member Dick Bennett thanked the Board for the numerous improvements that have been made to US-95, resulting in a safer highway. He said that delaying improvements to the Riggins to New Meadows section will result in higher construction costs and more lives lost. He expressed a desire to help the Board with its funding concerns.

Member McClure said the Board is still debating a funding plan, but will need support and assistance with securing a revenue increase.

MCAC Chairman Buell asked if the Board has considered utilizing one company to complete an entire, small project. Director Bower replied that the Board asked staff to pursue the design-build project delivery method yesterday, which is similar to MCAC Chairman Buell's concept. Member Blick added that the federal regulations are time consuming and hopefully the design-build method can help reduce the time needed to construct projects. Member McClure said that public-private partnerships are another option that provides savings of time and money to the Department.

MCAC Chairman Buell expressed concern with increasing the fuel tax, as fuel is a major expenditure for truckers. He encouraged the Department to develop a good promotional plan, as he believes getting approval for increased revenues will be difficult. MACA Member Evan Hayes expressed caution with a blanket increase on registration fees. He suggested considering a miles-driven approach so small agricultural truckers won't be disadvantaged economically. MCAC Member David Coats added concern with the existing gross vehicle weight structure, as there is a big gap in registration fees between current categories. Although he does not support a ton-mile tax, he believes that approach was fairer.

Chairman Bruneel summarized the Forum on Transportation Investment and its recommendations related to the Department's revenue. He summarized the options the Board is considering to increase revenue.

Chairman Bruneel thanked the MCAC members for the meeting. He appreciated the various comments and believes meeting jointly is beneficial for both groups.

Revenue Plan, Continued. BPIRM Pipal summarized the Coalition for Regional Public Transportation's request last month for Board support for local option transit taxing authority for Regional Public Transportation Authorities.

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

RES. NO.        WHEREAS, the Forum on Transportation Investment (Forum) was initiated in  
September 2004  
ITB06-77        by the Idaho Transportation Board; and

WHEREAS, the Forum was chartered by the Board to 1) establish an understanding of the needs and demands for transportation improvements and the available options for financing and funding Idaho's transportation system, and 2) to make recommendations to the Board on how to shape future investment in the Idaho surface transportation system; and

WHEREAS, the vision for transportation in Idaho – as outlined by her citizenry – is multi-modal in its composition; and

WHEREAS, the Forum recognized that public transportation is a necessary and important component of Idaho's overall mobility agenda; and

WHEREAS, Idaho remains one of six states without a dedicated state revenue stream to support transit projects; and

WHEREAS, local option taxes were supported as a mechanism for funding transit because the voters of the community would institute the tax and administer the funding locally; and

WHEREAS, local levels of government support local option taxes because the voters must allow themselves to be taxed in this manner and their vote determines how they want to spend tax dollars.

*NOW THEREFORE BE IT RESOLVED*, that the Board recognizes that local option taxes are a tool for special and general purpose governments, and its members support the concept for use in Idaho; and

*BE IT FURTHER RESOLVED*, that the Board specifically supports local option taxing authority for transportation purposes, including transit; and

*BE IT FURTHER RESOLVED*, that the Board will support the concept of local option taxing authority for general and special purpose governments.

BPIRM Pipal provided additional funding scenarios for the Board's consideration, based on the discussions held yesterday. Member Blick emphasized the need to prepare for the future, and believes a tax on the purchase price of fuel would help protect the Department's revenue stream from the volatile energy market.

Member McClure made a motion to increase registration fees 75% and add a 6% sales tax on the purchase of fuel, excluding the existing federal and state taxes. Member Sweeney seconded the motion.

Director Bower suggested establishing side boards on the tax on the fuel, such as eliminating or reducing the tax if the cost of fuel increases to a specified amount like \$4 per gallon. Additionally, the Department would need safeguards if the price of fuel decreases significantly.

Chairman Bruneel suggested asking staff to finalize the proposal before taking action on the funding plan.

Member McClure withdrew his motion. Member Sweeney concurred. (See later minute entry.)

Executive Session on Personnel Issues, Section 67-2345, Idaho Code. Member Blick made a motion to meet in executive session at 1:50 PM to discuss personnel issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on personnel issues related to hiring a public officer.

The Board came out of executive session at 2:30 PM. No final actions or decisions were made.

Video Clippings. PAO Stratten presented additional media coverage of yesterday's discussion on landscaping in the City of Boise and on developing the revenue plan.

Revenue Plan, Revisited. Member Sweeney made a motion, seconded by Member Blick, and passed unopposed, to approve the following resolution:

RES. NO.        WHEREAS, the Forum on Transportation Investment (Forum) was initiated in September 2004  
ITB06-78        by the Idaho Transportation Board (Board); and

WHEREAS, the Forum was chartered by the Board to 1) establish an understanding of the needs and demands for transportation improvements and the available options for financing and funding Idaho's transportation system, and 2) to make recommendations to the Board on how to shape future investment in the Idaho surface transportation system; and

WHEREAS, the Forum found that Idaho was the 3<sup>rd</sup> fastest growing state in the nation; that the population was expected to grow by 56 percent by 2030; and that the population of some areas is expected to grow in excess of 100 percent; and

WHEREAS, the Forum concluded that Idaho will continue to grow at an historic pace; that transportation is essential to the state's economy; that Idaho's current transportation revenue structure will not meet the pressing transportation funding needs of more than \$20 billion over the next 30 years; that federal funding cannot be relied upon to solve Idaho's transportation funding challenges; and that increased transportation funding must be addressed now; and

WHEREAS, funding for Idaho's surface transportation system was last addressed in 1996; and

WHEREAS, the average increases to the Highway Distribution Account have been flat, with revenue only increasing at between 1 and 2 percent annually over the past decade, and

WHEREAS, inflation increased approximately 30 percent over the past two years alone and is projected to maintain a rate of 12 percent annually according to the Washington State Construction Cost Index projections; and

WHEREAS, the Board has directed staff to prepare funding scenarios and options in response to hyper inflation, diminished buying power and increasing demands on Idaho's transportation system.

*NOW THEREFORE BE IT RESOLVED*, that the Board directs staff to draft the appropriate legislative changes to implement the Board's funding plan recommendations as outlined in this resolution; and

*BE IT FURTHER RESOLVED*, that the Board recommends that new revenue, with the exception of impact fees and those fees that currently go directly to the State Highway Account, be deposited into the Highway Distribution Account and

distributed according to the current formula; and

*BE IT FURTHER RESOLVED*, that the Board recommends increasing revenue to the Highway Distribution Account with a base fuel price tax (excluding state and federal tax) of six (6) percent, which tax shall be dedicated for transportation purposes as specified in Article VII, Section 17, of the Idaho State Constitution; and

*BE IT FURTHER RESOLVED*, that the Board recommends eliminating the ethanol exemption on fuel tax; and

*BE IT FURTHER RESOLVED*, that the Board recommends a seventy-five (75) percent increase in registration fees to be directed to the Highway Distribution Account; and

*BE IT FURTHER RESOLVED*, that the Board recommends a percent assessment on the daily rental rate of rental cars to yield at least one million dollars (\$1,000,000) in the first year of implementation to be directed to the Highway Distribution Account; and

*BE IT FURTHER RESOLVED*, that the Board recommends a seventy-five (75) percent increase on permit fees to be directed to the Highway Distribution Account; and

*BE IT FURTHER RESOLVED*, that the Board recommends a seventy-five (75) percent increase in Division of Motor Vehicle service fees to be directed to the State Highway Account; and

*BE IT FURTHER RESOLVED*, that the Board directs staff to propose the appropriate legislative changes to require local entities to work with the Idaho Transportation Department in the assessment of impact fees, and to pursue a partnership in sharing impact fees with Ada County Highway District in accordance with current Idaho Code.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:50 PM.

signed  
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FRANK BRUNEEL, Chairman



Read and Approved  
December 13, 2006  
Boise, Idaho

## SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

November 3, 2006

Idaho Transportation Board Chairman Frank Bruneel called a special meeting of the Idaho Transportation Board at 8:30 AM on Friday, November 3, 2006. The following were present at the Idaho Transportation Department in Boise, Idaho:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Sue S. Higgins, Board Secretary  
Dwight Bower, Director  
Karl Vogt, Deputy Attorney General

The following participated via videoconference:

John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2

Forum on Transportation Investment (FTI) Overview. FTI Co-Chair Jim Kempton provided a brief overview on the FTI, established to review the state's transportation needs, and its recommendations. He summarized the funding shortfalls and stressed that Idaho's fuel tax has not increased since 1996. He emphasized the need to establish a good foundation for increasing the state's transportation revenue and believes the FTI report and an updated Highway Needs Assessment Study would be an excellent base.

Department Funding, Revenue, and Costs. Joel Drake, Senior Budget Analyst (SBA), outlined the Department's funding sources. In FY08, 56% of the revenue is anticipated from the federal government. SBA Drake emphasized the impact inflation has had on ITD's Programs, specifically highway construction, personnel, and operations. The Associated General Contractors (AGC) indicated an 11% and 16% nation-wide increase in highway construction costs in 2004 and 2005, respectively. Revenue to the State Highway Account has increased just 15% over the last nine years, compared to growth of 75% in the General Fund revenues during the same period. The rate of growth in the State Highway Account is far less than the rate of increases for the cost of doing business, causing an erosion of buying power and a shift of funds to cover escalating costs. SBA Drake expressed concern with the state's ability to maintain state-only funded construction at the level required to retain the preferential sliding-scale match rate in years after FY2012, because more revenue is being consumed each year to fund cost increases for personnel and operating costs. ITD staff, in consultation with the Federal Highway

Administration, is researching specific requirements of the sliding-scale match requirement and will report their findings to the Board.

Transportation Finance. Budget, Policy, and Intergovernmental Relations Manager Julie Pipal reviewed ITD's anticipated revenue from the Highway Distribution Account in FY08. Approximately 46% of the \$212.2 million will be from gas tax, followed by 20% from special fuels, 18% from passenger car registrations, 14% from truck registrations, and 2% from miscellaneous sources.

Economics and Research Manager Doug Benzon elaborated on ITD's various funding sources and provided revenue estimates if fuel tax and registration fees are increased. He also provided comparisons of all states' fuel tax and registration costs. ITD's buying power has decreased significantly, and he expects that trend to continue. A brief discussion was held on potential revenue from rental cars and leased vehicles, with some Board support to pursue those options.

Impact Fees. Senior Transportation Planner Sonna Lynn Fernandez reported on impact fees, which can be implemented by local governments. Although Idaho Code does not allow ITD to impose impact fees, local governments may enter into agreements with the Department for the expenditure of development impact fees. Currently, Ada County Highway District and 15 Idaho cities collect impact fees; however, not all jurisdictions utilize the revenue for transportation projects.

FTI Co-Chair and Nampa Mayor Tom Dale and Nampa Finance Director Debbie Mammone elaborated on the City of Nampa's utilization of impact fees. The fees were implemented approximately one year ago to help the city address growth-related needs. Mayor Dale expressed support for cooperative agreements to assist ITD with funding infrastructure improvements because development often impacts the state highway system.

Local Option Tax for Public Transportation. Public Transportation Administrator (PTA) Larry Falkner reiterated earlier comments that the federal Mass Transit Account's balance is expected to be spent down to zero in the near future, like the Highway Trust Fund. Idaho is one of few states that does not have a dedicated source of state funds for transit, and is probably the only state that does not provide for a dedicated local funding option for cities, counties and special purpose governments, such as transit authorities. PTA Falkner emphasized the FTI's recommendation to include public transportation as an integral part of the state's transportation system by dedicating revenue mechanisms and providing local option taxing authority for transportation-related initiatives. He also summarized the Coalition for Regional Public Transportation's request at the October Board meeting for support for local option taxing authority for Regional Transit Authorities.

Industry/Local Input. Michael Gifford, Executive Director, AGC, shared various comments related to the construction industry. Construction costs are increasing faster than the Consumer Price Index, which does not include costs for construction materials such as steel, concrete, and asphalt. The number of contractors bidding on ITD projects is mainly influenced by the market. If there is a lot of construction work, contractors may be less inclined to bid on state projects, partly due to the stricter governmental regulations and specifications. It is an issue that is widespread, not just a concern in Idaho.

Executive Director Gifford believes the FTI developed sound recommendations. He believes it is important to inform the citizens and legislators about the increased costs of highway construction, which reduces the state's buying power. Based on an annual inflation rate of 3%, Idaho gas tax revenue has lost 33% of its purchasing power in the 11 years since the last gas tax increase.

Joe Haynes, Administrator, Local Highway Technical Assistance Council, mentioned other federal funds available to some counties for transportation. There is a concern that funds established in the Craig-Wyden Act may not be extended when the Act expires soon. He said that truck weights have increased along with overall traffic counts, resulting in more infrastructure needs. The costs of maintaining roads have also increased. He also believes it is imperative to educate the public about these issues. He supports increasing transportation funding and expressed his willingness to partner with ITD on this important issue.

Community Planning Association of Southwest Idaho (COMPASS) Planning Director Charles Trainor provided an overview on COMPASS and its transportation responsibilities and revenue sources. He also expressed concern with more traffic and the funding shortfall to address transportation needs. He believes it is important to preserve right-of-way and also expressed support for ITD and its efforts to address the funding concerns.

Chairman Bruneel thanked the gentlemen for their comments.

A general Board discussion followed on the next steps, with overall support to develop a specific funding proposal to submit to the governor and legislature. Comments included the need to educate the public on transportation issues and to develop partnerships to seek an increase in revenue. Staff was directed to prepare funding scenarios for the Board's consideration at the next regular meeting.

Executive Session on Personnel and Legal Issues, Section 67-2345, Idaho Code. Member Blick made a motion to meet in executive session at 12 noon to discuss personnel and legal issues. Vice Chairman Combo seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on personnel issues related to the employment status of individuals.

A general discussion was held on pending litigation related to the US-95, Manns Creek Curve project.

The Board came out of executive session at 12:45 PM. No final actions or decisions were made.

WHEREUPON the special session of the Transportation Board adjourned at 12:45 PM.

signed

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FRANK BRUNEEL, Chairman  
Idaho Transportation Board

Read and Approved  
December 13, 2006  
Boise, Idaho

## REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

December 13, 2006

The Idaho Transportation Board met at 8 AM, on Wednesday, December 13, 2006, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Frank Bruneel, Chairman  
John X. Combo, Vice Chairman – District 6  
John McHugh, Member – District 1  
Bruce Sweeney, Member – District 2  
Monte C. McClure, Member – District 3  
Gary Blick, Member – District 4  
Neil Miller, Member – District 5  
Dwight Bower, Director  
Sue S. Higgins, Secretary  
Karl Vogt, Deputy Attorney General

Board Minutes. Member Sweeney made a motion to approve the minutes of the special Board meeting held on November 3, 2006 as submitted. Member McClure seconded the motion and it passed unopposed.

Member McClure made a motion to approve the minutes of the special and regular Board meeting held on November 13-16, 2006 as revised. Member Blick seconded the motion and it passed unanimously.

Board Meeting Dates. The following meeting dates and locations were scheduled:

January 17-18, 2007 – Boise  
February 21-22, 2007 – Boise  
March 21-22, 2007 – Boise

Consent Calendar. Vice Chairman Combo commented that the portion of I-15 Business/US-26 in Bonneville County to be relinquished is to be improved before Bonneville County assumes responsibility for the route. He requested removing the item from the Consent Calendar to discuss later. (See later minute entry.)

Member McHugh expressed concern with relinquishing portions of state highways to local entities. District 1 had a recent experience whereby the underlying deed did not get changed, so the local entity is now saying the road belongs to the state, not the local jurisdiction, even though it accepted jurisdiction of the route under an agreement. Member McClure concurred that the underlying ownership is an issue that needs to be addressed. It was suggested that staff review

this issue and report to the Board at a future meeting.

Some discussion was held on the process to acquire right-of-way, with concern expressed on timelines. Staff was requested to report on right-of-way acquisition procedures at a future meeting.

Member Blick made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO.      *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB06-79      approves the relinquishment of a portion of SH-55, District 3; and State Board Unallocated Program funds for repairs to Cloverdale Underpass on I-84, District 3; and has received and reviewed the obligation graphs and reports, contract award information, Traveler Services Advisory Council report, annual outdoor advertising sign status report, quarterly report on legal actions and contract claims, and the October financial statement analysis.

1) Relinquishment of a Portion of SH-55, District 3. With the completion of the I-84, Karcher Interchange project in Nampa earlier this month, the former portion of SH-55 along Nampa Boulevard from I-84 to 2<sup>nd</sup> Street is to be relinquished to the City of Nampa. This is in accordance with the Road Closure and Maintenance Agreement dated January 2, 2003. The SH-55 designation along Nampa-Caldwell Boulevard is to be removed and will follow the new alignment along the new facility. The Official Minute is shown as Exhibit 333, which is made a part here of with like effect.

2) State Board Unallocated Program Funds for Repairs to Cloverdale Underpass on I-84, District 3. The Cloverdale Underpass on I-84 was struck by a vehicle in August. Staff determined that the structure was safe for traffic, but the damage necessitated weight restrictions for Cloverdale Road traffic. A plan to replace two girders spanning the eastbound interstate has been developed and work has started on a design package incorporating the plans into a construction project to be awarded next summer. The total cost is estimated at \$500,000. The District will submit these costs to the insurance company of the vehicle that struck the underpass for reimbursement. Staff requested the addition of the I-84, Cloverdale Underpass Repair project to the FY07 State Board Unallocated Program in the amount of \$500,000, with the anticipation that the insurance claim will reimburse this allocation within a year.

3) Obligation Graphs/Reports. As of October 31, 2006, \$12,039,000 had been obligated for construction projects and \$29,613,000 had been obligated for preliminary engineering, right-of-way, local projects, special projects, and unscheduled projects. Project status reports were presented for all 2007 projects.

4) Contract Awards. Key #8354 – US-95, Skookumchuck Creek Bridge to Whitebird Creek Bridge, District 2. Low bidder: Poe Asphalt Paving, Inc. - \$1,296,883.

Key #8484 – Fairfield Road, Plummer to Washington State Line, District 1. Low bidder: Poe Asphalt Paving, Inc. - \$1,722,334.

Key #8840 and #9235 – US-93, Mackey, South and US-93, Moore, North, District 6. Low bidder: Legrand Johnson Construction Company - \$5,398,157.

Key #8567 – SH-55, Mission Street to Mather Road, McCall, District 3. The low bid was more than ten percent over the engineer's estimate, requiring justification. In comparing the low bid to the engineer's estimate, the Mobilization item was the only excessively high item. The difference can be contributed to the limited number of contractors willing to mobilize to the area and the limited pool of contractors residing in the area. Staff does not anticipate advantages in re-advertising the project and recommends awarding the contract. Low bidder: Valley Paving & Asphalt - \$634,558.

Key #9495 and #9494 – I-84, Linden Road Grade Separation, Eastbound, Caldwell and I-84, Linden Road Grade Separation, Westbound, Caldwell, District 3. Low bidder: Idaho Construction Company - \$779,711.

Key #10206 – I-90, Blue Creek Bay Bridges (2), Kootenai County, District 1. Low bidder: Harcon, Inc. - \$2,246,575.

Key #8923 – US-95, Spokane River Bridge, Kootenai County, District 1. Low bidder: N A Degerstrom, Inc. - \$150,386.

Key #8465 – Honeysuckle Avenue to Miles Avenue, Hayden, District 1. Low bidder: Norm's Utility Contractors, Inc. - \$4,554,762.

Key #8933 – FY06 District 3 Region 2 and 3 Sealcoats. The low bid was more than ten percent over the engineer's estimate, requiring justification. This was the second time this project was advertised. In comparing the low bid with the engineer's estimate, staff noted that every bid item was reasonable with the exception of Item 403-215 (Class B chips). The high bid was due to the fact that this project is in several different counties, impacting mobilization, and also the price reflects the production rates the contractor used last year. The District recommends awarding the project as it does not believe re-advertising the project for a third time would be advantageous. Low bidder: Kloepper Inc. - \$1,538,924.

Key #7219 – Elk Creek Bridge at Elk Creek, Elmore County, District 3. The low bid was more



than ten percent over the engineer's estimate, requiring justification. This was the second time the project was advertised. The most costly bid item was Mobilization. Due to the remote project location, estimating bid unit prices was difficult. The Local Highway Technical Assistance Council does not anticipate any potential savings if the project is re-advertised and recommends awarding the project. The bridge is on the only alternate route to Atlanta, Idaho, making the project critical to the community. The existing Elk Creek Bridge is in very poor structural condition. Low bidder: Eagle Rock Timber - \$274,324.

The following bids were more than ten percent over the engineer's estimate and were rejected by staff: Key #9155 – Garden Valley Trail, District 3.

Key #9158 – Golden Gate Canal Bridge to Avenue D, Wilder, District 3.

5) Traveler Services Advisory Council. The Idaho Traveler Services System Advisory Council, established to provide strategic level guidance on the traveler services system, met in October. A summary of that meeting was provided. Between November 2005 and October 2006, there were 328,095 calls made to the 511 system. The website had a total of 3,785,413 hits during this time period. The most calls and site visits were recorded in December with 89,638 and 846,015, respectively. The system's summer activities with road work reporting, restriction information handling, and incident information and tourism connections were successful.

There are ongoing efforts to implement the next generation 511 system. Some of the enhancements that have been initiated include establishing data exchange interfaces and automated notification of events such as highway closures. Enhancements planned for the current fiscal year include additional enhancements to the trucking menu, call center improvements, and the addition of a mileage calculator and route summary. In preparation of the winter driving season, extensive media coordination was completed in November to inform the traveling public of the 511 information system, including television and radio advertisements and printed material such as posters and magnets.

6) Outdoor Advertising Sign Status Report. At the close of federal FY06, 104 illegal and 162 non-conforming signs remained throughout the state. This compares with 82 illegal and 139 non-conforming signs at the end of FY05. It was noted that 21 of the current illegal and non-conforming signs are located on Indian reservations where ITD has no jurisdiction.

7) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section, a status of current legal cases, and a report on contract claims was presented.

8) October Financial Statement Analysis. Total federal aid revenue for October was 10%, or \$11.5 million, more than through October 2005, but when compared to current year projections is

down 10%. Federal indirect cost recovery was \$13 million through the end of October. Revenues from the Highway Distribution Account and miscellaneous sources were .78% and 1.7% ahead of projections, respectively. Expenditures were less than budgeted. In contract construction, the federal program was more than projections by 8% and the state program was behind spending projections by 20%.

Aviation fuel tax revenue through the end of October was 12%, or \$76,000, more than projections. Miscellaneous revenue was 2% higher than forecast. Minimal federal funds were received. Overall expenditures were less than budgeted.

In the GARVEE Capital Projects fund, ITD requested a total of \$4.6 million from bond proceeds. Expenditures were made on authorized projects; however, there was a difference between receipt of bond proceeds and expenditures due to timing of funds received and payments made. The monthly payments for state match in the GARVEE Debt Service Fund were \$173,969. The cash transferred into this Fund was \$688,000 and the disbursement out of the Fund through the end of October was \$695,877.

Board Items. Members McHugh and Sweeney attended the Intermountain Forest Association conference in northern Idaho last week. They discussed the Department's revenue concerns, focusing on the significant cost increases in construction projects and the legislative proposal that will be submitted to increase revenues.

Member McHugh expressed concern with the operational costs of the cameras on I-90, which was a recent Intelligent Transportation Systems project.

Member McClure said Chairman Bruneel and he participated in several recent ceremonies. Ground-breaking ceremonies were held for the I-84, Franklin Interchange project in Caldwell and the I-84, Locust Grove overpass project in Meridian. The I-84, Karcher Interchange project was dedicated yesterday. Chairman Bruneel and he took the opportunity at these ceremonies to talk about the Department's revenue needs. Member McClure believes it is important to be vocal, educate the public, and seek support on this issue when opportunities arise.

Member McHugh reported that the I-90, 9<sup>th</sup> Street Bridge overpass was struck by an over-height truck in June. The damage was severe enough to necessitate placing traffic barriers on the bridge deck to direct traffic traveling on 9<sup>th</sup> Street away from passing over the impacted pre-stressed concrete girders. The estimated cost of replacing the two affected girders is \$330,000. The insurance company is expected to reimburse ITD for these costs. Because the vertical clearance for this structure is 14' 8", which is the lowest clearance on I-90, staff developed a plan to increase the vertical clearance to 16' 7" at a total project cost of \$950,000.

Member McHugh made a motion to provide the additional funding needed to increase the vertical clearance of the I-90, 9<sup>th</sup> Street Bridge overpass in the amount of \$620,000, the difference between the total project cost of \$950,000 and the insurance carriers' responsibility of \$330,000 to repair the damaged structure, with the new project in the FY07 Board Unallocated Program. Vice Chairman Combo seconded the motion.

Some discussion followed on how the \$330,000 amount was derived, whether it was negotiated or a policy amount. Member McHugh did not know. Concern was expressed that the insurance company may attempt to reimburse the Department for the cost of the damages at a lesser amount.

The motion passed unanimously.

Director's Report. Director Bower announced Aeronautics Administrator Bob Martin's retirement, effective December 15. Administrator, Division of Administration (ADA) Susan Simmons will be the acting Aeronautics Administrator until a permanent administrator is appointed. ADA Simmons will adjust her schedule to oversee both the Administration and Aeronautics Divisions; however, Controller Dave Tolman will be providing additional assistance with the Division of Administration's responsibilities.

Director Bower provided copies of a letter Governor Risch sent to legislative leadership with his recommended GARVEE Program. Although Governor Risch expressed strong support for the GARVEE Program, he does not recommend the inclusion of the US-93, Twin Falls Alternate Route Stage 2 project because the project was not included in the legislative authorization.

Director Bower said the legislative outreach meetings will be held December 15, 18, and 19. He distributed material prepared for those meetings.

The Public Affairs Section compiled national news clippings regarding how states are financing their transportation systems and various funding proposals being considered. Director Bower distributed the packets of news stories. Member Miller expressed appreciation for the daily news clipping service.

Director Bower reported that Congress has not approved a transportation appropriations bill for FY07; however, a continuing resolution at the FY06 level was approved through February 16, 2007. This action not only impacts the Department, but also local entities. Staff is watching the funding situation closely, as the cash balance is also lower than it has been for some time. Another concern is the Federal Motor Carrier Safety Administration's (FMCSA) intent to withhold federal funds due to its assertion that ITD is not in compliance with Commercial Driver's License (CDL) requirements. The Department was recently notified that FY08 will be the first full year of non-compliance and FMCSA intends to start withholding federal funds in

FY09. (See later minute entry.)

In conclusion, Director Bower reported that he met with Representative Leon Smith to discuss his proposed GARVEE legislation. Director Bower distributed a revised proposal that limits the federal funds to 26% and does not allow the Department to issue GARVEE bonds in excess of \$998 million.

Description of a New Format for Monthly Delivery Graphs. Manager of Transportation Investments (MTI) Dave Amick reported that staff has separated the information on obligating funds and awarding contracts from the monthly financial analysis. The Transportation Planning Division is now submitting this information. MTI Amick presented revised graphs that will be presented monthly to illustrate project development and delivery progress for the current fiscal year. The charts will outline planned versus actual cumulative obligations by both program and district. The graphs monitor all federal formula, federal high priority, and state funds planned and obligated through the year. Work is continuing on graphs depicting contract awards. The Board discussed the revised graphs and provided comments.

New and Supplemental Professional Agreements Report. Chief Engineer Steve Hutchinson reported that the Consultant Administration Unit processed \$1,612,900 in professional, supplemental, and term agreements from October 30 through November 28, 2006.

Transportation in the Tetons. Public Transportation Administrator Larry Falkner said the Department, including Vice Chairman Combo and District 6 Engineer Tom Cole, has been involved with the Yellowstone/Teton Transportation initiative. The initiative is to address mobility and environmental issues in Idaho, Wyoming, Montana and the Teton and Yellowstone National Parks. The goal is to organize the business, government, and public sector in the three states to support a regional market driven system of clean transportation services to include highways, transit, bicycles, airports, pathways, and information systems.

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

RES. NO.        WHEREAS, the Idaho Transportation Department recognizes inevitable growth  
ITB06-80        in the Yellowstone/Teton National Parks three-state region; and

WHEREAS, transportation growth management and land issues are among the top issues of public concern in the 25 county region as shown by numerous attitudinal surveys; and

WHEREAS, on Friday December 16, 2005 61 people (working group) from throughout the Yellowstone/Teton region met to explore the past, present and future

of transportation in the Yellowstone/Teton region; and

WHEREAS, ITD participated in a conference call on Wednesday November 29, 2006 to discuss transportation in the Tetons; and

WHEREAS, the need for a business plan was agreed upon as the next step in the planning process; and

WHEREAS, ITD/the Division of Public Transportation has Federal Transit Administration funds available to support the development of a business plan; and

WHEREAS, several local governments have agreed to support and help fund the development of a business plan; and

WHEREAS, ITD's share is estimated to be \$30,000.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves participating in the development of a business plan with the Yellowstone/Teton three-state region working group; and

*BE IT FURTHER RESOLVED*, that staff will report periodically to the Board on progress and results for this initiative.

Reallocate GARVEE Bond Funding for Construction of US-95, Worley North, Stage 1, Key #10914, District 1. GARVEE Program Administrator (GPA) Nestor Fernandez said the final design of the US-95, Worley North, Stage 1 project is nearly complete and the project is anticipated to advance to construction in spring 2007. The project consists of constructing a four-lane divided highway and an interchange at the junction with SH-58. The approved GARVEE Working Plan includes \$44.9 million in FY07 construction funds for the project. Due to significant escalation experienced in construction costs over the past couple of years, the construction cost estimate had been updated, and an additional \$11.2 million in construction funding was included for this project in the FY08 Working Plan. In order to proceed with advertisement for construction bids, however, GPA Fernandez said FY07 funding would need to be reallocated to provide sufficient construction funding for the project. The construction cost is estimated at \$55.2 million, including 15% for construction engineering and contingencies. Staff recommends transferring \$10.3 million FY07 US-95, Wyoming Avenue to Sagle corridor funds. The environmental documentation for the Garwood to Sagle project is expected to be complete in September 2007, and the corridor has FY07 funds allocated for right-of-way that are not scheduled to be expended until late 2007. This transfer would not delay any work.

Member Sweeney asked why the construction costs increased by \$10 million when a number of recent bids have been lower than estimated. He also asked if District 1 was involved in preparing the construction estimates. GPA Fernandez replied that CH2MHill prepared the engineer's estimate, but he believes District staff was involved. He said the higher construction costs were anticipated earlier and were included in the GARVEE Working Plan approved by the Board in October.

Member Miller commented on the right-of-way issues that needed to be worked out with the Coeur d'Alene Tribe, which resulted in the delay of the construction of the project. He believes some of the increased construction costs are due to that delay. He questioned the construction of the interchange, which will serve the casino along US-95, greatly benefiting the Tribe. He also referenced the City of Post Falls' partnership with the I-90, Greensferry project and believes the Tribe should be a partner on this project. Member Miller said he cannot support this request because he believes the taxpayers are helping the Tribe, which caused delays and cost increases to the project.

Member McHugh said the interchange is also for SH-58, which goes into Washington. It is an important structure that will not strictly serve the casino.

Member Sweeney expressed objection to the cost increase and believes the project can be constructed for less money.

Member Miller made a motion to delay the US-95, Worley North, Stage 1 project and instructed staff to negotiate with the Coeur d'Alene Tribe for financial assistance. Member Sweeney seconded the motion. Upon a three-three tie with Members McClure, McHugh, and Blick voting in opposition, Chairman Bruneel voted in the affirmative and the motion passed. (See later minute entry.)

Funding Plan. Julie Pipal, Budget, Policy, and Intergovernmental Relations Manager (BPIRM) presented draft legislation for the six components of the funding plan approved by the Board last month. The elements include a base fuel price tax of 6%, elimination of the fuel tax exemption for ethanol, a 75% increase in vehicle registration fees, a percent assessment of car rental fees sufficient to raise a minimum of \$1 million annually, a 75% increase in DMV permit fees and service fees, and a requirement for local entities to work with ITD in the assessment of local impact fees. Staff has been working closely with the Tax Commission on the draft legislation.

Discussion was held on the 6% tax on the base price of fuel. Some concern was expressed that the tax would be applied to all fuel, including heating and aviation fuel.

Member McHugh made a motion to apply a 6% tax on fuels used on roads. Member Blick

seconded the motion.

Discussion followed on the name of the tax, with suggestions such as an excise tax or a highway preservation tax; differentiating fuel sold for off-road use, which could be remedied via a refund mechanism; and a formula to achieve the goal of \$108 million in additional revenue from a fuel tax, as a 6% tax on fuel only used on highways would not achieve that goal. Member McHugh withdrew his motion and Member Blick concurred.

The Board gave staff direction on these issues and asked it to revise the proposal. (See later minute entry.)

Annual Report on the Local Rural Highway Investment Program. Local Highway Technical Assistance Council (LHTAC) Asset Manager Jim Zier reported on the 2006 Local Rural Highway Investment Program. Three basic types of projects are funded in this program: construction, signs, and transportation plans. There were 81 applications for 2006 funding totaling over \$12 million. There were 33 projects funded: 17 construction projects, 9 transportation plans, and 7 sign projects. Two emergency projects were also funded. The projected total cost is \$5,329,724.23. He summarized a number of projects that were completed and projects planned in 2007. Although there are many more needs than funding available, Mr. Zier said the program is making a difference and he expressed appreciation for the Board's support of the program. LHTAC Administrator Joe Haynes also thanked the Board for the program.

Chairman Bruneel thanked the gentlemen for the report. Several Board members complimented LHTAC for its efforts on the program, which is providing valuable assistance to the local highway jurisdictions.

Update – 30<sup>th</sup> Street Extension Project, Boise, District 3. Business and Support Manager (BSM) Kathy Chase reported on the 30<sup>th</sup> Street area plan being developed by the City of Boise and Ada County Highway District (ACHD). The plan is intended to include an in-depth study of land use and multimodal transportation opportunities connected with the extension of 30<sup>th</sup> Street. The plan will be developed with information from an economic study, traffic analysis and input from a public outreach process. A State Street Market Analysis and Development strategy will also be completed. The objective of this analysis is to implement the land use/urban goals of the State Street Corridor Study; facilitate real estate investment along the corridor; better understand economic conditions along State Street; identify catalyst sites and desired land uses to spur reinvestment; identify public and private actions that will facilitate investment; and generate discussions about development opportunities along State Street.

ITD has been involved in discussions related to the 30<sup>th</sup> Street project due to potential impacts

the project may have on the Headquarters' campus. The work on the plan is scheduled to be completed by November 2007. ACHD is planning to construct the 30<sup>th</sup> Street Extension project, from Main Street to State Street, in 2010, according to BSM Chase.

Chairman Bruneel thanked BSM Chase for the update on the 30<sup>th</sup> Street project.

Annual Report of the Dealer Advisory Board (DAB). Bobby Petersen, DAB Member, presented the annual report from the DAB. The DAB, comprised of eight members appointed by the Governor, was established to assist and advise the Department in the administration of the Idaho Dealer and Salesman Licensing Act. It also provides guidance to the Department on other motor vehicle related programs that are administered by the Division of Motor Vehicles.

Following are some of the issues the DAB addressed this past year. It concurred with the Department's recommendations for revocation and denial of three dealer and salesman licenses. It continued efforts to define and upgrade the requirements for a dealer's principal place of business. The DAB also reviewed the mileage limit for temporary supplemental lots for independent dealers. It found that the members of the Independent Automobile Dealer's Association had no objections to lowering the limit to 50 miles from 175 miles from the principal place of business to set up temporary supplemental lots.

Chairman Bruneel thanked DAB Member Petersen for the informative report and expressed appreciation for the DAB's service and assistance to ITD.

Stanley Airport Name Change. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen said City of Stanley and Custer County officials have requested re-naming the Stanley Airport, which is owned by ITD. The request is to change the name from Stanley Airport to Stanley – Danner Field in honor of long-time city resident and avid aviator Robert Danner. The AAB voted to recommend this name change to the Transportation Board.

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

RES. NO.        WHEREAS, the City of Stanley and the Custer County Commissioners have  
ITB06-81        hereby formally requested the Stanley Airport be re-named Stanley –  
Danner Field in honor of Mr. Robert (Bob) Danner; and

WHEREAS, Mr. Danner was born in the City of Stanley, was a long time resident, made many contributions to the City, was active in conducting aerial searches, and maintained his aviation business on the Stanley Airport; and

WHEREAS, this request was discussed at the October 24, 2006 Aeronautics



Advisory Board meeting with a vote to forward it to the Idaho Transportation Board and a recommendation that the ITB approve the request; and

WHEREAS, the Idaho Transportation Department owns the airport property and the airport is managed by ITD's Division of Aeronautics; and

WHEREAS, the Idaho Transportation Board has the authority to change the names identifying state airports;

*NOW THEREFORE BE IT RESOLVED*, that the Board directs the Department Director to change the identifying name of the Stanley Airport to Stanley – Danner Field.

Special Use Permit Application for Reed Ranch Airstrip. AAB Chairman Sorensen summarized last month's discussion Aeronautics Administrator Martin had with the Board regarding the Reed Ranch Airstrip. With the airstrip, located on the South Fork of the Salmon River, now under US Forest Service jurisdiction, it is no longer available for public use without prior permission. The airstrip supports the state's recreation and tourism industries, is the most southerly access to the South Fork of the Salmon River, and is strategically located to serve as a safe landing point for air traffic returning to the McCall, Cascade, and Boise areas during inclement weather. The AAB adopted a resolution recommending that the Transportation Board approve an application to the Forest Service for a special use permit that will transfer management and operation of the Reed Ranch Airstrip to the Division of Aeronautics.

Vice Chairman Combo made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department's Division of Aeronautics is ITB06-82 responsible, by State Statute 21-104, for the development of aeronautics in the state and to encourage the establishment of airports; and

WHEREAS, the system of backcountry airports (airstrips) supports the state's recreational and tourism industries and serves as landing areas for emergencies; and

WHEREAS, the Division of Aeronautics now manages and operates thirty backcountry airstrips, and

WHEREAS, the U.S. Forest Service (FS) has recently exchanged property with a private land owner and the FS now owns property known as Reed Ranch, which has a backcountry airstrip located on the property; and

WHEREAS, the Reed Ranch Airstrip was available for the public to use during the time it was owned by the private land owner; and

WHEREAS, once ownership was transferred to the FS the airstrip became closed to the public and use is now by prior permission only; and

WHEREAS, the Reed Ranch Airstrip not only serves to support the state's recreation and tourism industries, but is also strategically located to serve as a safe landing point for air traffic returning to the McCall, Cascade, and Boise areas during periods of inclement weather; and

WHEREAS, all airstrips managed by the Division of Aeronautics are made available for use by the public without a prior permission requirement; and

WHEREAS, the Aeronautics Advisory Board approves adding the Reed Ranch airstrip to the inventory of airstrips managed and operated by the Division of Aeronautics.

*NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves adding the Reed Ranch Airstrip to the inventory of airstrips managed and operated by the Division of Aeronautics; and

*BE IT FURTHER RESOLVED*, that the Board directs the Department Director to apply to the FS for a Special Use Permit which will transfer management and operation of the Reed Ranch Airstrip to the Division of Aeronautics.

In response to discussion at last month's meeting on the expenses involved with this proposal, Director Bower asked Mark Young, Aeronautics Maintenance Manager, to provide information on the costs. Mr. Young reported that an analysis of the airstrip has not been completed, so he does not have confirmed costs; however, he anticipates the airstrip will need a wind sock and tie downs if it is going to be a public facility. An estimate for those items is between \$5,000 and \$7,000. In response to Member Sweeney's comment on the number of volunteers that provide assistance with the state's airstrips, Mr. Young stated that he believes initial costs will be borne by the Department, but there is a possibility that volunteers may assume some ongoing maintenance responsibilities.

The motion passed unanimously.

Update on FMCSA withholding Highway Funds/Administrative License Suspension (ALS)/Conviction. Driver Services Manager (DSM) Ed Pemble said in 2005 FMCSA had findings

related to the Department's ALS program. To correct the audit findings, Idaho must adopt the federal definition of "conviction" for CDL disqualification purposes; treat an ALS as a conviction; disqualify from commercial driving CDL drivers for one year for the first ALS and for life for any second or combination of convictions for major offenses; and treat an ALS transmitted from another state as a conviction and transmit an Idaho ALS as a conviction to other states.

If Idaho's laws are found to be in substantial non-compliance with FMCSA regulations, all future increases in FMCSA grant funding to the Motor Carrier Safety Assistance Program will be eliminated and there will be a permanent reduction of up to 5% of ITD's federal-aid highway funding after the first full year of non-compliance. DSM Pemble said the Department was recently notified that the FMCSA will consider FY08 the first full year of non-compliance and intends to begin withholding funds in FY09. Options to remedy this conflict are legislation and challenge FMCSA, working through ITD's membership in the American Association of Motor Vehicle Administrators and Multistate Highway Transportation Agreement.

Vice Chairman Combo stated that the Senate Transportation Committee has a new chairman for the 2007 session and asked if Senator John McGee has been informed of this situation. Chairman Bruneel asked about the time frame.

DSM Pemble responded that if ITD proposed draft legislation to remedy FMCSA's concerns and revised the action plan, those efforts may buy some time before funding is actually withheld.

Member McClure made a motion to proceed with legislation to address FMCSA's concerns with Idaho's ALS program related to CDLs. Member Sweeney seconded the motion and it passed unopposed.

Executive Session on Legal and Personnel Issues, Section 67-2345, Idaho Code. Member Miller made a motion to meet in executive session at 12:05 PM to discuss legal and personnel issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on legal issues related to the US-95, Manns Creek Curve project, the Board's authority related to the GARVEE Program, and the decision of FMCSA to withhold a portion of Idaho's federal highway funds.

A general discussion was held on personnel issues.

The Board came out of executive session at 2:05 PM. No final actions or decisions were made.

Funding Plan (Revisited). BPIRM Pipal provided estimates of the percentage of tax that would be

needed on different prices of fuel per gallon to obtain \$108.3 million annually in additional revenue. The information is based on the pre-taxed price of fuel. With the wholesale rack price currently estimated at \$1.75 per gallon, a 6.9% tax rate would provide \$108.3 million. The general consensus of the Board was to impose a highway preservation fuel tax of 7% on the base price of fuel at the distributor level with the revenue to be deposited into the Highway Distribution Account.

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

RES. NO.        WHEREAS, the Idaho Governor's Office has requested that state agencies submit ITB06-83        proposed 2007 legislation to the Division of Financial Management for review and approval; and

WHEREAS, the Idaho Transportation Board at the November 2006 meeting approved a resolution adopting a transportation "Funding Plan" to implement the recommendation of the Forum on Transportation Investment to increase transportation revenues by \$200 million annually; and

WHEREAS, the Board directed ITD staff to develop the appropriate draft legislation to implement the Board's funding plan for Board review and approval, prior to submission to the Division of Financial Management; and

WHEREAS, staff has developed proposed legislation in draft legislative and bill form showing the proposed changes to Idaho Code.

*NOW THEREFORE BE IT RESOLVED*, that the Board approves the proposed draft legislation in concept as submitted and approves submittal of the final form of the draft legislation to the Division of Financial Management, with the proposed legislation ideas shown as Exhibit 335, which is made a part hereof with like effect.

Division of Motor Vehicles (DMV) Modernization Plan/Solution Planner Report. DMV Modernization Project Administrator (MPA) Shannon Barnes provided an update on DMV's information systems modernization project. ITD intends to release a request for proposal for Phase 1 by the end of February. Some of the initiatives in Phase 1 include implement digital license plates, repair Datapoint system, implement Datapoint replacement, complete Mainframe migration, and plan central license issuance. The estimated cost is \$4.5 million. Staff is seeking a federal grant to provide some of the financing. MPA Barnes also summarized Phases 2, 3, and 4, which are planned in 2008 through 2013. She said the federal REAL ID Act is a big part of Phase 2, with securing the system a vital component. She will continue to seek grants for funding and

will also work with other states on issues related to the REAL ID Act.

Chairman Bruneel thanked MPA Barnes for the informative update and for her efforts on this important project.

Old/New Business. Member Miller said he has received additional information since the Board discussed the US-95, Worley North project. Member Miller made a motion to revisit the request to reallocate GARVEE bond funding for construction of the US-95, Worley North, Stage 1 project, key #10914. Member Sweeney seconded the motion and it passed unopposed.

Member Sweeney made a motion to provide up to an additional \$10 million for the construction of the US-95, Worley North, Stage 1 project, contingent on a potential need due to unanticipated cost increases, after the bidding process, when the low bid amount is known. Member McHugh seconded the motion and it passed unanimously.

The I-15, Sunnyside Interchange project near Idaho Falls was completed last month. In accordance with the Road Closure and Maintenance Agreement, dated December 18, 2003, the former portion of I-15B/US-26 is to be relinquished to Bonneville County.

Member Blick made a motion to approve the Official Minute, as shown as Exhibit 334, which is made a part here of with like effect, relinquishing a portion of I-15B/US-26 to Bonneville County. Member McClure seconded the motion and it passed unanimously.

Member McClure left the meeting at this time.

Joint Meeting – ACHD. Chairman Bruneel welcomed the ACHD Commissioners to the meeting.

ACHD Commission Chairman John Franden thanked the Board for its time. He expressed appreciation for the Board's funding plan, as additional revenue is needed, particularly to address the needs of the rapidly growing Treasure Valley. He believes it is imperative for ITD and ACHD to work cooperatively, especially on growth-related issues.

The Board concurred on the need to communicate and work together.

ACHD Commissioner Sherry Huber said that access management is a major issue and it may need to be clarified, particularly as it relates to urban requirements. Commissioner Dave Bivens added that there are a number of issues of mutual concern and suggested meeting on a regular basis. Director Bower suggested meeting in conjunction with the Board's annual tour of District 3. He noted that Commissioner Bivens has participated in tours in the past.

Chairman Bruneel elaborated on the Board's revenue plan that will be submitted to the legislature. Discussion followed on the various elements of the proposal, focusing on impact fees.

ACHD Director J. Schweitzer offered to work with ITD staff on impact fees and give the Board a presentation at a future meeting, as ACHD has extensive experience with that funding mechanism. Chairman Bruneel thanked Director Schweitzer for his offer of assistance and believes a Board presentation would be beneficial.

ACHD Chairman Franden reiterated the need to work together, particularly because, as a general rule, the motoring public does not know if it is traveling on a state highway or a local road. The public wants a good transportation system.

Chairman Bruneel acknowledged that communication between the two agencies is critical. He encouraged the Commissioners to participate in future tours of the Treasure Valley and to attend Board meetings when issues of mutual concern are on the agenda.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 4:05 PM.

signed

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DARRELL V MANNING, Chairman  
Idaho Transportation Board

Read and Approved  
January 17, 2007  
Boise, Idaho