

WORK SESSION AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

November 13-14, 2012

The Idaho Transportation Board met at 8 AM on Tuesday, November 13, 2012 at the Idaho Transportation Department, District 3 Office, in Boise, Idaho. The following principals were present:

Jim Coleman, Vice Chairman – District 1
Jan Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

Investment Corridor Analysis Planning System (ICAPS). Chief Operations Officer Paul Steinman said the new federal surface transportation act, Moving Ahead for Progress in the 21st Century (MAP-21), outlines national goals of safety, infrastructure condition, congestion reduction, system reliability, freight movement and economic vitality, environmental sustainability, and project delivery cost reductions. These goals align with ITD's strategic goals of safety, mobility, and economic vitality. ICAPS will be instrumental in meeting the MAP-21 requirements: develop a risk-based asset management plan, set targets that address performance measures, and submit performance reports to the Federal Highway Administration (FHWA).

Staff summarized ICAPS. The planning tool is a framework for performance-based planning and investment analysis. It is corridor-based, user focused, data driven, tied to the strategic plan, and will better communicate ITD's performance and accomplishments. It also identifies the long-term vision, models fiscal realities, and will assist with prioritizing projects.

Chairman Jerry Whitehead joined the workshop at this time.

Some of the outcomes of ICAPS will be a unified message for investment requirements, a single transportation investment analysis framework, and investments that create a positive economic environment. It will enhance accountability, transparency, and system performance; be outcome based; and provide data for cost-effective decision making. The next steps for this initiative are to identify performance objectives, measures, targets, and timeframes.

The consensus of the Board was to proceed with the development of ICAPS; however, it requested information on the cost of this initiative and potential savings that may result.

MAP-21 Policies. Manager, Transportation Investments (MTI) John Krause said five policies need to be addressed due to MAP-21: B-19-07, Highway Safety Funds; B-11-04,

Allocation of Surface Transportation Program Apportionments; B-11-03, Transportation Enhancement Program; B-11-07, Safe Routes to School Program; and B-11-05, Congestion Mitigation/Air Quality Program. The policies should align with the strategic plan through program structure and funding levels, set stakeholder long-term expectations, and interface with federal transportation acts as required. MTI Krause summarized funding issues, including obligation authority and flexibility. Some of the Programs like Safe Routes to School have been eliminated, but funding those activities is still allowed in some of the Programs.

Nathan Hesterman, Senior Transportation Planner, summarized the five policies, including their history, stakeholders, their link to the strategic plan, and the impacts MAP-21 has on them. Staff will propose policy revisions in the near future.

Some discussion followed on seeking stakeholder comments on the policies. One option is to ask an entity, such as the Local Highway Technical Assistance Council, to provide comments on behalf of the interested parties.

Agreements. Highway Program Oversight Engineer (HPOE) Loren Thomas reported on the historical use of consultants, which are generally used for design work due to staffing constraints. The Department looks internally to complete work before seeking outside assistance. He summarized the federal and state regulations for professional services, the qualification-based selection requirements for professional services related to projects in the Idaho Transportation Investment Program (ITIP), and the process for soliciting right-of-way fee appraisers.

Sherry Jenkins, Purchasing Agent, outlined the price-based professional agreements regulations and processes and the Department of Administration's authority. ITD has delegated authority to secure agreements valued up to \$100,000. The Department works closely with the Department of Administration on purchases exceeding \$100,000.

HPOE Thomas said a team is reviewing the internal procedures for the various contracts and agreements. He presented a proposed new policy that consolidates B-01-09, Authority to Sign Contracts, Agreements, or Grants and their Registration; B-06-08, Professional Service Agreements; and B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. No changes are proposed to the delegated authority.

Chairman Whitehead thanked staff for the various presentations.

WHEREUPON the meeting recessed at 5:00 PM.

November 14, 2012

The Board reconvened at 8:30 AM on Wednesday, November 14, 2012, at the Idaho Transportation Department in Boise, Idaho. All members were present.

Board Minutes. Member Gagner made a motion to approve the minutes of the regular Board meeting held on October 17-18, 2012 and the minutes of the special workshop held on October 19, 2012 as submitted. Member Horsch seconded the motion and it passed unopposed.

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

December 12-13, 2012 – Boise

January 16-17, 2013 – Boise

February 20, 2013 – Boise

Consent Calendar. Vice Chairman Coleman made a motion, seconded by Member Horsch, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-51 approves the certification of receipts and disbursements and has received and reviewed the contract award information, the professional services agreements and term agreement work task report, and the report of speed minute entry changes for October 2012.

1) Certification of Receipts and Disbursements. The FY12 certification of receipts and disbursements cash basis, as shown as Exhibit #421, 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 total receipts were \$593,634,800; disbursements were \$592,617,300; and the cash balance as of June 30, 2012 was \$49,436,600.

2) Contract Awards. Key #11550 – I-90, SH-3, FY13 District 1 Sign Upgrades. Low bidder: Specialty Construction Supply, LLC – \$959,016.

Key #13348 – FY12 Ada County Highway District Overlays, District 3. Low bidder: C & A Paving Company, Inc. - \$1,594,170.

Key #12366 – SH-44, State Street Intelligent Transportation Systems, SH-16 to 16th Street, Boise, District 3. Low bidder: Quality Electric, Inc. – \$489,855.

Key #11109 – US-26, Idaho National Laboratory Junction to Junction SH-39, Bingham County, District 5. Low bidder: Intermountain Slurry Seal, Inc. - \$1,274,185.

Keys #11655 and #11641 – US-30 and US-89, Clay Street to 3rd Street, Montpelier and Sunnyside Road to Lund Road, District 5. Low bidder; Intermountain Slurry Seal, Inc. - \$628,801.

The low bid on keys #12120 and #12447 – I-15 and I-86, FY13 District 6 Pavement Striping and FY13 District 5 Pavement Striping was more than ten percent over the engineer's estimate, requiring justification. The difference between the engineer's estimate and the low bid was in the Pavement Marking Interstate item. Staff believes it underestimated this item. Additionally, the high quantity of a single pay item and the cost of fuel may have contributed to the higher bid. Low bidder: Streamline Markings, Inc. - \$880,872.

3) Professional Services Agreements and Term Agreement Work Task Report. From October 1 through October 29, 19 new professional services agreements and work tasks were issued,

totaling \$2,763,800. Five supplemental agreements to existing agreements were processed in the amount of \$459,221 during this period.

4) Speed Minute Entry Changes for October 2012. The following speed minute entry changes were made in October in Districts 1, 3 and 4:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
US-2	6.610	6.910	35	45
SH-57	1.000	1.400	35	40
US-95	477.720	478.420	45	55
US-95	395.230	396.120	25	35
SH-5	0.000	0.670	25	35
SH-5	11.660	12.030	35	45
I-184 forward	0.000	3.620	55	60
I-184 forward	3.620	3.810	55	60
US-20 forward	47.570	48.050	55	60
I-184 reverse	0.000	3.620	55	60
I-184 reverse	3.620	3.740	55	60
US-20 reverse	47.490	48.050	55	60
US-93 ascending	50.000	50.896	60	50
US-93 descending	50.000	51.000	60	50
SH-75	110.286	110.423	45	55
SH-75	110.901	111.200	25	35
SH-75	112.440	112.633	25	35
SH-75	112.633	112.802	35	45
SH-75	112.802	113.000	45	55

Director's Report. Director Ness reported that the US-2, Dover Bridge project has been completed and was dedicated last month.

Mike Cram from the Internal Review Office received a national award from the American Association of State Highway and Transportation Officials' (AASHTO) Administrative Subcommittee on Internal and External Audit. The award recognizes Mr. Cram's participation on a team that developed the National Compensation Matrix.

Director Ness presented the annual report, or Accountability Report. The document focuses on the goals of having the safest transportation system possible, providing a mobility-focused transportation system that drives economic opportunity, and becoming the best organization by continually developing employees and implementing innovative business practices. The Five Year Investment Plan is being finalized and should be available next week. It is an external document detailing the FY13-17 projects in the ITIP in non-technical terms.

The Idaho Traffic Safety Commission met last week and reviewed its goals, according to CD Stokes. Although the state's year-to-date traffic fatalities are higher than last year, they are below the five-year average. He also mentioned various activities related to the economic opportunity goal: a tour of the Union Pacific intermodal freight facility in Salt Lake City, Utah with partners

from the Departments of Agriculture and Commerce; participation at an Economic Development Conference; and ITD is on the agenda at the Pacific Northwest Economic Region conference this week.

Tax Commission Use of Highway Funds. Mark Stones, Bureau Chief with the Idaho State Tax Commission, summarized the Tax Commission's involvement in highway funds. Some of its functions include licensing, processing returns, auditing, and collections. Some of the audits it performs are on fuel distributors and for the International Fuels Tax Agreement and International Registration Plan. Although the Tax Commission does not have extensive authority regarding dyed diesel fuel, it follows up on leads of abuse. Further testing for illegal use of dyed fuel requires a law enforcement presence. Mr. Stones also mentioned the motor fuels tax evasion project, which started in 1992. During the past 20 years, a total of \$939,590 has been spent by the Tax Commission. The majority of those funds were used for personnel costs. Some money was also spent on training and miscellaneous office expenses. The Tax Commission's efforts have resulted in almost \$7 million recovered, or a return on investment ratio of 7.37.

Chairman Whitehead thanked Mr. Stones for the informative presentation.

Monthly Financial Statements. MTI Krause reported that net cumulative obligations were \$63,200,000 for October, the first month in the new federal fiscal year. Of the net obligations, \$65,300,000 had a budget scheduled on October 1. The original budget cost associated with these scheduled obligations was \$73,000,000. Net cumulative obligations are 90.9% higher than October's historical trend of \$33,100,000.

Controller Gordon Wilmoth said FHWA Indirect Cost Allocation revenue through September was \$9,930,000, which was above the projected amount of \$8,460,000. Miscellaneous state funded revenue of \$9,250,000 was \$965,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$44,430,000. The projected revenue was \$44,122,000. Revenue from the ethanol exemption elimination was \$4,075,000, which was .1% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$503,000, resulting in a 13% positive variance.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$174,132,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,845,000 of the \$9,200,000 available.

Senior Budget Analyst Joel Drake reported on revisions to the FY14 budget request. During October, an additional \$91,700 was added to operating expenditures for the Statewide Cost Allocation Plan, for services provided by other state agencies, including treasurer fees, state controller fees, attorney general fees, and insurance.

Annual Report of the Dealer Advisory Board (DAB). DAB Member Bobby Petersen reported on the activities of the DAB, focusing on legislative issues. A review of the dealer bond levels was completed. The current bond level of \$20,000 has been in place for more than 20 years. Amendments to Idaho Code to require continued education for all licensed wholesale vehicle dealers in the state will be proposed in 2013. Some work has also been done to address the

“principal place of business” definition in Idaho Code, but the DAB has not reached a consensus on that issue yet.

Chairman Whitehead thanked DAB Member Petersen for the report and for the DAB’s assistance on motor vehicle issues.

Federal Gross Weight Formula. Motor Carrier Services Manager (MCSM) Reymundo Rodriguez summarized the Federal Gross Weight Formula, also known as Federal Formula B. It is a mathematical formula used by federal and state departments of transportation to determine the appropriate maximum gross weight for a motor vehicle based on axle number and spacing. The formula is part of the federal size and weight regulations regarding interstate commercial traffic. It is necessary to prevent heavy vehicles from damaging roads and bridges.

Chairman Whitehead thanked MCSM Rodriguez for the informative presentation.

129,000 Pound Trucks Pilot Project. Highway Operations Engineer (HOE) Greg Laragan provided the draft 129,000 pound Truck Pilot Project report. The pilot project, authorized by the legislature to allow 129,000 pound trucks on a limited number of state highways, requires a final report in January 2013. Data from other states that allow 129,000 pound weight limits was reviewed. The national research indicates that axle weight is a more significant determinant of flexible pavement damage than gross vehicle weight, increased truck size and weight limits are predicted to increase bridge-related infrastructure costs, results relating truck configuration and safety are inconsistent, and increased truck size and weight limits result in industry cost savings. HOE Laragan noted that Idaho’s findings are essentially the same as other states: no measurable effects on pavements or bridges were observed, crash rate comparisons were inconclusive, and participating companies reported economic benefits from operating at the higher weight limits.

Chairman Whitehead thanked HOE Laragan for the draft report, which is to be reviewed and considered for action next month.

Annual Update on ITD’s Research Program. Research Program Manager (RPM) Ned Parrish reported on the Research Program. The budget for FY13 is \$1.4 million. Federal statutes require that 2% of funding for roads and bridges be used for planning and research. Some state match is required. He summarized some of the research projects. Media messages were developed to reduce impaired driving, safety impacts of the differential speed limit were evaluated, methods to determine when to impose load limits during spring break-up were evaluated, and a system to detect or predict avalanches was developed. A customer survey, an evaluation on low-cost methods to improve passing lane safety, and the development of methodology for prioritizing locations for wildlife/vehicle mitigation are some of the projects planned in FY13.

RPM Parrish said FHWA changed its program for funding for universities. Previously, the National Institute for Advanced Transportation Technology, housed at the University of Idaho, received research funds. Now, there is a regional approach. The Pacific Northwest Transportation Consortium, or PacTrans, includes universities from the Pacific Northwest: Alaska, Washington, Oregon, and Idaho. He added that Chairman Whitehead and he serve on the PacTrans External Advisory Board.

Chairman Whitehead expressed support for PacTrans. It eliminates duplication and provides the Department with more resources. He thanked RPM Parrish for the report and for his efforts on this important program.

IPLAN Spending Authority Increase Request. Erika Bowen, Planning/Program Management Manager (PPMM), provided an update on IPLAN. The AASHTO Technology Information Group will meet with staff tomorrow. Work is continuing on draft documents for data standards and requirements and data sets for inclusion have been requested.

PPMM Bowen provided a detailed estimated return on investment. Potential savings from FY07-11 total \$2.2 million, or \$460,000 per year. Some of the specific areas where savings are expected are in construction change orders, the issuance of over legal permits, and in preparing environmental documents. She proposed three options for proceeding with IPLAN: Board authorization for funding two additional phases and funding all of the remaining items on the contract.

Member Kempton questioned the advantages of options 2 or 3 for continuity purposes. PPMM Bowen responded that each phase will have specific deliverables. When options 1 or 2 are close to completion, staff could request more spending authority from the Board to continue with additional phases.

Member Gagner referenced the anticipated return on investment and asked if the expected savings would offset the costs of the entire IPLAN project. PPMM Bowen said the return on investment projects savings of \$460,000 annually. The total cost to develop IPLAN is just over \$450,000 plus approximately \$30,000 for-going costs, such as software, each year.

Vice Chairman Coleman expressed support to complete the project, with the understanding that staff will provide reports to the Board and if deliverables are not met, the project could be terminated. He believes IPLAN will be beneficial.

Vice Chairman Coleman made a motion to approve the following resolution with Option 3, authorizing staff to complete the original contract. Member Gagner seconded the motion and it passed unopposed:

RES. NO. WHEREAS, IPLAN is a web-based portal linking directly to the Idaho
ITB12-52 Transportation Department's authoritative data sources; and

WHEREAS, IPLAN will enable all ITD staff and external customers to easily view data previously inaccessible to them; and

WHEREAS, IPLAN will bring greater efficiency to the planning and decision-making process, as well as strengthen outside partnerships through earlier and better methods of communication; and

WHEREAS, potential uses of IPLAN include becoming a geospatial analysis tool, a spatial data library, a computational engine and a public involvement portal; and

WHEREAS, the Idaho Transportation Board has considered three funding options to further progress the development of IPLAN.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the Planning/ Program Management Section to move forward with Option 3.

Option 1: Authorizes staff an additional \$100,000 to develop a Data Standards Document, a Requirements Document, and Solution Recommendations. Once the additional \$100,000 is expended, staff will report to the Board on the progress of the project and the Board will then decide whether it will continue with the contract.

Option 2: Authorizes staff an additional \$180,000 to develop all of the items in Option 1 along with the development of a Data and Services Document [data priorities, processes, connections, etc.], a Marketing Document, and a Spatially Enable Project Tracking and Project Scheduling Systems (pending Linear Referencing System completion). Once the additional \$180,000 is expended, staff will report to the Board on the progress of the project and the Board will then decide whether it will continue with the contract.

Option 3: Authorizes staff an additional \$356,676 to develop all items in Options 1 and 2 as well as all of the items remaining in the original contract, which includes: Configuration of IPLAN, Acceptance Testing, Production Site, System Support, and Training.

Chairman Whitehead thanked PPM Bowen for the presentation and for her efforts on this important project.

Presentation of American Road and Transportation Builders' Association (ARTBA) Award. Dave Butzier, consultant with URS and project manager, provided a history of the US-95, Sandpoint Byway project, which spanned about 50 years. Due to the complexity of the project and the potential for it to be contentious and controversial, a concerted effort was made to provide extensive public outreach. He acknowledged the public involvement efforts of Barbara Babic, ITD Public Information Specialist, and Susan Kiebert, hired by URS, and presented them the ARTBA award, recognizing their significant accomplishments in public involvement.

Chairman Whitehead congratulated Ms. Babic and Ms. Kiebert and thanked them for their efforts.

Policy Introduction. Member Kempton, Chair of the Board Subcommittee on Policies, presented three policies for review: B-01-01, Public Convenience; B-01-02, Budget Preparation; and B-01-03, Annual Report. DAG Allen elaborated on the policies, including legal authority for the policies and the Subcommittee's desire to require Board review and approval of the annual report prior to its submission to the Governor. He also questioned the necessity of B-01-01. Without objection, the Board concurred with the introduction of these policies for review.

Executive Session on Personnel and Legal Issues. Member Gagner made a motion to meet in executive session at 11:35 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (c), (d), and (f). Member Horsch seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 1:35 PM. No final actions or decisions were made.

Monthly Update on Garnet Project. 3M representative Mike Ristau said a new plan has been developed for Phase 1 of the Division of Motor Vehicles' modernization project, also known as Garnet. He acknowledged that the schedule has risks, including unknown factors, no contingency has been built into the plan, and staff vacation time is not reflected in the schedule.

Mr. Ristau reported that the business requirements for Phase 2 are being finalized. Over 2,800 hours in change requests have been incorporated into the project schedule. A full re-plan will be developed for Phases 2 and 3. Phase 3 is significantly behind schedule. Although additional staff members have been added to the project, staffing needs will be reviewed and necessary resources will be provided to ensure the deadline, mid-summer 2014, is met. Collaboration will continue to determine how the schedule can be accelerated to mitigate risks.

Member Vassar noted the two-year time frame for the design phase. She asked if ITD made changes to the product and if the Request for Proposal was well defined. Mr. Ristau replied that some changes were made to transactions, but that 3M had different assumptions regarding the design. The scope was high-level. There was uncertainty with the details, which are now creating some concerns and delays.

In response to Member Gagner's question on the progress, Mr. Ristau said he believes good progress is being made. He added that a lot of work still needs to be done.

Chairman Whitehead thanked Mr. Ristau for the update.

Idaho Freight Study. Freight Study Project Manager (FSPM) Maureen Gresham presented the final recommendations from the freight study. The recommendations are to create an institutional framework for communication, collaboration, and partnership; align transportation policy and projects with economic development strategies; facilitate the efficient movement of freight; strategically invest in a freight corridor network and in new and/or expanded multi-modal facilities and connections; expand sources for freight infrastructure funding; and collect and analyze freight related data.

In response to Member Gagner's question on funding the recommendations, FSPM Gresham replied that no funding is being requested at this time. The intent is for staff to move forward on the recommendations. Member Gagner asked for additional information on the proposal to establish an advisory committee. FSPM Gresham responded that the group could report to the Board. Vice Chairman Coleman asked if the advisory committee may be a cross-over with the Trucking Advisory Council. FSPM Gresham replied that she is not sure how the committee

would work, but envisions multi-modal representation, including trucking and airports. Member Vassar noted that Commerce has a big role in this.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB12-53 to facilitate the efficient and effective movement of freight; and

WHEREAS, Moving Ahead for Progress in the 21st Century recommends state departments of transportation plan for and facilitate the movement of freight; and

WHEREAS, it is the intent of the Idaho Transportation Board to encourage partnerships between various transportation stakeholders that further safety, mobility, and economic opportunity; and

WHEREAS, the Department initiated a statewide analysis of freight that included participation from a diverse range of stakeholders; and

WHEREAS, the Freight Study culminated in the development of a consensus based vision for freight movement in, out, and through Idaho and six key recommendations.

NOW THEREFORE BE IT RESOLVED, that the Board endorses the process and results of the Idaho Freight Study, which is on file in the Division of Transportation Performance, and authorizes staff to move forward with implementing the recommendations.

Chairman Whitehead thanked FSPM Gresham for the report and her work on this study.

Old Business. Acting Right-of-Way Manager Jason Brinkman presented the proposed new Board Policy, B-03-13, Management of Department-Owned Property, in legislative format. He highlighted a couple of changes made to the policy since it was presented last month. Member Kempton added that DAG Allen will incorporate language related to access. The Board had no objections.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:25 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
December 12, 2012
Boise, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

October 17-18, 2012

The Idaho Transportation Board met at 1:00 PM, on Wednesday, October 17, 2012, at the Idaho Transportation Department in Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Jan Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

Board Minutes. Vice Chairman Coleman made a motion to approve the minutes of the regular Board meeting held on September 19-20, 2012 as submitted. Member Vassar seconded the motion and it passed unopposed.

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

November 13-14, 2012 – Boise
December 12-13, 2012 – Boise
January 16-17, 2013 – Boise

Consent Calendar. Chairman Whitehead noted the change of scope to complete the I-84, Orchard to Isaac's Canyon corridor. Chief Operations Officer (COO) Paul Steinman confirmed the plans to add additional lanes on I-84 between the Broadway Interchange and Gowen Road Interchange. The Environmental Assessment was completed earlier and staff identified funding for this project. He also commented on the desire to address customers' needs and convenience.

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

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-50 has received and reviewed the contract award information, the professional
 services agreements and term agreement work task report, the report of speed
 minute entry changes for October 2012, and the GARVEE Program scope
 clarification.

1) Contract Awards. Key #12303 – SH-41, Burlington Northern Santa Fe Railroad Bridge, Rathdrum, District 1. Low bidder: Sletten Construction Company – \$4,878,050.

Key #11225 – 10th Avenue; Junction SH-54 to Van Buren Street, Spirit Lake, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$1,479,248.

Key #11065 – FY12 Ada County Highway District Overlays, District 3. Low bidder: Knife River Corporation – Northwest - \$1,126,039.

Key #12041 – US-95 Spur, Snake River Bridge, Weiser, District 3. Low bidder: The Truesdell Corporation - \$178,178.

Key #13360 – SH-55, Horseshoe Bend South City Limits to Payette River Bridge, District 3. Low bidder: C & A Paving Company, Inc. - \$618,329.

Key #13355 – SH-78 – 55, FY14 District 3 Sealcoats, Owyhee County. Low bidder: Snake River Construction, Inc. - \$1,347,179.

Key #13371 – SH-21 and SH-55, FY12 District 3 Dynamic Message Sign Replacement. Low bidder: Quality Electric, Inc. - \$320,597.

Key #11679 – US-20, FY13 District 6 Sign Upgrades. Low bidder: Specialty Construction Supply, LLC - \$82,159.

Key #12113 – FY13 District 6 Districtwide Sealcoats. Low bidder: Intermountain Slurry Seal, Inc. - \$1,900,888.

2) Professional Services Agreements and Term Agreement Work Task Report. From September 4 through September 28, 17 new professional services agreements and work tasks were processed, totaling \$885,040. Six supplemental agreements to existing agreements were processed in the amount of \$631,450 during this period.

3) Speed Minute Entry Changes for October 2012. The following speed minute entry changes were made in September in Districts 2 and 3:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
US-95 descending	312.500	318.546	55	60
US-95 descending	318.546	323.290	55	65
US-95 descending	323.290	337.360	60	65
US-95 ascending	323.290	337.360	60	65
SH-44	19.443	21.684	55	50

4) GARVEE Program Scope Clarification. The scopes and schedules are being finalized for the three new interchanges on I-84 in the greater Boise area. Taking design standards into consideration and upon a detailed review of ramp taper lengths, a one-mile gap was identified between the Broadway and Gowen Interchanges. The Environmental Assessment completed earlier for the I-84, Orchard to Isaac's Canyon corridor identified the need for three lanes in each direction between the Broadway and Gowen Interchanges. Leaving this segment unimproved may create potential safety and traffic congestion issues. Staff identified \$3 million to construct these additional lane miles now, which would address the potential safety and congestion issues and minimize future public inconvenience of constructing the lanes at a later date.

Director's Report. Director Ness announced that Mike Pape has accepted the position of Aeronautics Administrator. Mr. Pape joined ITD as a pilot in 2007.

Director Ness reported on various recognitions the Department received. Some of those included Idaho Department of Parks and Recreation appreciated assistance with promoting the parks passport program; Federal Highway Administration's (FHWA) Division Office commended staff for closing inactive projects and expressed appreciation for partnering to promote highway safety at the Western Idaho Fair; and Roads and Bridges magazine featured ITD's de-icer brine. He congratulated Mike Rearden, District 1 Maintenance Foreman, and Mark Porter, District 5 Maintenance Foreman for representing ITD at the National Rodeo Competition. Director Ness also mentioned last month's ground-breaking ceremony for the US-95 rest area being constructed near Winchester in partnership with the Nez Perce Tribe.

Chief Deputy Stokes reported on performance measures. He mentioned that additional GARVEE bonds have been issued and he commended the Department's partnership with the Idaho Housing and Finance Association and Citi Group. The bond rate is 2.998%.

District 3 Public Transportation Advisory Council (PTAC) Update. Kathleen Simko, District 3 PTAC Member, reported on the public transportation services in the District. One of the successes has been an increase in the utilization of senior center vehicles due to a partnership with the Area Agency on Aging. There has been increased participation at the grassroots level to focus on mobility in the communities of Glens Ferry, Duck Valley, and Emmett. Challenges include identifying local funding and increasing ridership, public awareness of the advantages of transit and alternative modes of transportation, and public-private partnerships.

Chairman Whitehead thanked Ms. Simko for the report and for her service on PTAC.

Railroad Tax Structure in Idaho. Dwayne Hines, Idaho Tax Commission, summarized the railroad tax structure in Idaho. The Idaho Tax Commission establishes the value of each railroad company's operating property and then allocates a portion to Idaho. That allocation is sub apportioned across the counties in which the railroad company operates based on mileage or has assets such as a microwave tower. The value of the Idaho portion is taxed by the counties at the local levy rate for the taxing district through which the mileage operates. Mr. Hines said railcars are valued by the number of cars and mileage operating in the state. For those that have more than \$500,000 in value, the process is the same as above. For those below \$500,000, the value is put into the state's public school fund. If a railroad has non-operating property, that property is taxed by the local assessor.

Chairman Whitehead thanked Mr. Hines for the informative presentation.

Freight Study and Rail Plan Update. Freight Study/Rail Plan Project Manager Maureen Gresham said the freight study process included engaging stakeholders, understanding the context of the state's freight situation, identifying goals and performance measures, and providing a framework for implementation. The proposed goals are fairly broad, such as a freight system featuring seamless modal connectivity while maintaining safety and efficiency, and strategically investing

in freight system infrastructure while maximizing existing capacity. Some of the preliminary recommendations are to create an institutional framework for communication, collaboration and partnership; align transportation policy and projects with economic development goals; and expand sources for freight infrastructure funding. She said the intent is to finalize the Freight Study and recommendations for the Board's consideration next month.

Chairman Whitehead thanked Ms. Gresham for the update and for her efforts on this important project.

Executive Session on Personnel and Legal Issues. Member Gagner made a motion to meet in executive session at 2:30 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member Horsch seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 3:20 PM. No final actions or decisions were made.

Quarterly Update – Garnet Project. Strategic Funding Specialist (SFS) Dave Tolman noted concerns with the schedule for the Division of Motor Vehicles' (DMV) modernization project, or Garnet. The project was initiated in May 2011 and is scheduled to be completed in four phases by November 2014. Testing is currently underway.

3M representative Mike Ristau said personnel changes have been made. 3M is committed to working with ITD to provide a quality product. Mr. Ristau took responsibility for the delay to the project, which was more complex than the vendor initially thought. More customization was needed. Because quality is a high priority, the timetable for Phase 1, initially scheduled for completion in November 2012, has been delayed to February 2014. New schedules for Phases 2 and 3 are being developed.

Member Gagner expressed disappointment with the delays. He requested milestones and assurances that the project will proceed as planned and without additional delays. He requested a monthly status report to the Board. Mr. Ristau concurred with providing monthly reports. He apologized for the delays to the project and expressed a desire to adhere to the new schedule and provide a quality product.

Member DeLorenzo asked for assurances that 3M can provide to the Board for its future performance. Mr. Ristau responded that milestones will be developed. He can provide a matrix to track progress.

Chairman Whitehead noted the partnership with 3M and ITD and the Board's desire for the project to be successful. He added that there are federal deadlines that need to be met and there are financial consequences if those deadlines are missed. He reiterated the Board's request for assurances that the project will be completed successfully and within the revised schedule.

SFS Tolman emphasized that staff is working closely with the vendor and is committed to the success of the project. He will keep the Board updated on its status.

Highway Safety Partnership. Highway Safety Manager (HSM) Brent Jennings emphasized the good working relationship ITD has with Idaho State Police (ISP). During construction of the GARVEE projects in District 3, project funds were used for ISP to conduct high visibility enforcement patrols for the I-84 projects. The focus was to decrease impaired, aggressive, and distracted driving with no tolerance for lack of seat belt use. Staff intends to expand this high visibility enforcement program throughout the state to increase highway safety.

ISP Lieutenant Brad Doty said the objectives of the partnership were to enhance highway safety, clear highway incidents quickly, and develop a model for future projects. ISP officers logged 23,813 hours while patrolling 352,265 miles during the project duration, August 2008 to March 2012. They issued 19,204 citations plus over 17,000 warnings. There were two fatalities in the corridor during this time frame. Other noteworthy successes of the pilot project included the apprehension of a kidnapping suspect, felony drug seizures, and lifesaving efforts. Lieutenant Doty thanked the Board for the partnership. It resulted in high-visibility patrols, reduced response times, and enhanced public safety.

Vice Chairman Coleman asked if the project will be funded for the construction of the three new interchanges on I-84 in Meridian and Boise. CD Stokes replied that the Department would like to fund patrols during construction of the additional GARVEE projects and is pursuing that option. He added that HSM Jennings is exploring funding options through the National Highway Traffic Safety Administration to expand the program statewide.

Chairman Whitehead thanked HSM Jennings and Lieutenant Doty for the report and for the cooperative effort to address safety in the I-84 GARVEE corridor.

IPLAN Visioning Document. Erika Bowen, Planning/Program Management Manager (PPMM), provided an update on the IPLAN project, which is nearing the project expenditure of \$100,000 with BioWest. The current phase includes creating a map-based web portal and internal, external, and public user specific interfaces. Optional features are display planning scenarios and performance measures and integration with other applications. The intent of IPLAN is to make more data available to more users. It should result in greater efficiency in the planning and decision-making process. She provided the draft visioning document.

PPMM Bowen said costs are estimated at \$550,000 for FY12 through FY15. The estimate includes annual ongoing operating costs of \$27,500 in FY14 and FY15. Although it is difficult to ascertain savings, she estimated the return on investment at \$2.2 million in the last five years of the Idaho Transportation Investment Program (ITIP). She noted that the project is on schedule and on budget. She believes it is a success to date.

Member Gagner asked if a more definite return on investment could be provided. He also asked about obtaining all of the necessary data for IPLAN. PPMM Bowen replied that the data is currently available. COO Steinman added that the data needs to be formatted, but the Districts are committed to this project and will assist with the data needs.

Chairman Whitehead suggested monthly updates on the status of IPLAN. He thanked PPMM Bowen for the report.

WHEREUPON the meeting recessed at 4:55 PM.

October 18, 2012

The Board reconvened at 8:00 AM on Thursday, October 18, 2012, at the Idaho Transportation Department in Boise, Idaho. All members were present.

129,000 Pound Trucks Pilot Project. Highway Operations Engineer (HOE) Greg Laragan summarized the pilot project established by the Idaho legislature in 2003 to allow 129,000 pound trucks on a limited number of state highways. The pilot project concludes this year and the Department is to provide a report to the legislature in January 2013. He noted that the project has been constrained by the small number of trucks participating in the pilot project, the non-participating trucks are not monitored so no differential can be made between the two categories, additional routes were added after the pilot project was initiated, and the Department improved pavements on some of the pilot project routes during this time frame.

Transportation Staff Engineer (TSE) Jake Legler provided some findings. SH-24 is the most-used route, with 25% of trips. Sugar beets are the most-hauled commodity, with 56% of loads carrying them. No noticeable differences were detected on pavements and bridges on the pilot routes. There was a very slight increase in vehicle crashes; however, it was not a significant increase. The conclusions are there are no measureable effects of the 129,000 pound pilot project and crash data is inconclusive, possibly due to the project constraints.

CD Stokes asked if pilot project trucks were involved in the crashes. TSE Legler replied that the crash data does not differentiate between vehicles participating in the pilot project. Chairman Whitehead asked if that information can be obtained.

Although the legislation does not require a report on economic impacts of the pilot project, HOE Laragan said staff collected economic data. Some of the companies participating in the project reported a significant savings due to a reduction in the number of trips. Staff intends to submit the final report to the Board next month. HOE Laragan said the following issues need to be considered: interstate highways are not part of the pilot project, which limited participation; the local system has not been studied; long span bridges are a concern; and permitting issues need to be addressed.

Member Horsch noted the poor condition of a local road adjacent to SH-24; although he noted that trucks not participating in the pilot project also travel on that route. HOE Laragan said the legislature specified the state highway routes for the pilot project. It provided local highway jurisdictions the authority to designate routes on the local system.

In response to Chairman Whitehead's question on whether data from other states that allow 129,000 pound weight limits was reviewed, HOE Laragan responded yes. Overall, those states' conclusions were similar to ITD's findings. He added that axle weights are a major factor, particularly on impacts to pavements.

Member Horsch asked if there is a list of bridges that would be a concern if the 129,000 pound weight limit becomes law. HOE Laragan said the Department has identified those bridges. There are approximately 34 that may be a concern.

Chairman Whitehead thanked HOE Laragan and TSE Legler for the informative report.

Monthly Financial Statements. Transportation Investments Manager (TIM) John Krause reported that net cumulative obligations were \$354,100,000 for FY12. Of the net obligations, \$294,700,000 were for current year projects included in the approved program. The remaining obligations were adjustments to prior-year projects coupled with advances of future year projects to FY12. The original budget amounts for obligated FY12 projects from the FY12-16 approved ITIP were \$332,000,000. Total available funding for the federal fiscal year was \$354,200,000, compared to an estimated funding level of \$356,300,000. The \$2,000,000 difference is mainly due to lower than anticipated state forces obligations.

Controller Gordon Wilmoth said FHWA Indirect Cost Allocation revenue through August was \$6,590,000, which was above the projected amount of \$5,371,000. Miscellaneous state funded revenue of \$5,415,000 was \$128,000 below the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$29,070,200. The projected revenue was \$29,317,200. Revenue from the ethanol exemption elimination was \$2,659,700, which was 2.5% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$310,600, resulting in a 40% positive variance. He cautioned that the increased revenue was due to extensive fire-fighting efforts in the state and he does not foresee that trend continuing.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,400,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,815,000 of the \$9,200,000 available.

Annual Report on Performance Statistics on Contracts and Procurements. Business and Support Manager Kathy Chase reported on the contracts and procurements issued from the Business and Support Management office in FY12. A total of 20,028 purchase orders were issued in the amount of \$50,166,840. Both the number and dollar amount were fewer than the previous fiscal year when 24,630 purchase orders totaled \$77,248,621. Fifty-five professional services agreements were processed for \$1,013,901. This was a 31% increase in number and 35% increase in dollar value from the previous year. There were also 104 contracts in the amount of \$8,554,500 in FY12 compared to 95 contracts for \$33,313,069 in FY11; however, the FY11 figure includes the \$27 million contract award for the DMV Modernization System.

Policy Review. Member Kempton said the Board Subcommittee on Policies is continuing to refine the process to review and update every Board policy. Last month three policies were introduced for review: B-01-12, Purchase of State Property by Department Personnel; B-03-01, Acquisition and Disposal of Real Properties and their Improvements; and B-03-03, Appraisal of Access. Staff proposed consolidating those three policies plus two more addressing property issues: B-12-01, State Highway Access Control and B-19-02, Sales to Other Jurisdictions.

COO Steinman elaborated on the intent to combine policies that address related subject matter. Other recommendations are to include hyperlinks to documents, such as Idaho Code and IDAPA rules, rather than incorporating that specific language in the policy and to move procedural language into manuals.

Acting Right-of-Way Manager Jason Brinkman submitted a proposed new policy, B-03-13, Management of Department-Owned Property, which consolidates the five referenced policies above. In response to the Board's request last month, the policy includes language indicating that administrative settlements for appraisals in excess of \$1,000,000 shall not exceed 20% of the reviewed fair market value. Additionally, language requiring just compensation when property owners are granted a requested access is not specifically included in the policy; however, the link to the IDAPA Rule that provides guidance on that issue is provided.

The Board was supportive of the proposal to consolidate and streamline policies. It also requested additional time to review the consolidated policy, B-03-13.

Member Kempton said the Board Subcommittee on Policies reviewed B-01-09, Authority to Sign Contracts, Agreements, or Grants and their Registration; B-06-08, Professional Service Agreements; and B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects for introduction to the Board. DAG Allen elaborated on the policies, including the federal regulations related to qualification-based selection for professional services and the state laws and Department of Administrations' responsibilities for other professional services and procurement agreements. These policies will be on the agenda next month.

Chairman Whitehead thanked the Board Subcommittee on Policies and staff for their efforts with this big undertaking.

Employee Service Awards. The Board participated in the Employee Service Awards. Member Vassar provided remarks on behalf of the Board.

Delegation - Federal Highway Administration. Division Administrator Pete Hartman read a citation commending ITD for its efforts to close inactive projects. He also expressed appreciation for the good working relationship between the two agencies.

Butch Waidelich, FHWA Regional Administrator, summarized the recently-approved federal surface transportation bill, Moving Ahead for Progress in the 21st Century (MAP-21). Some highlights of the two-year bill include funding at approximately the same level as the previous bill, fewer programs with more flexibility, and an emphasis on performance. Rule-making, which will provide additional guidance, is underway.

Chairman Whitehead thanked Messrs. Hartman and Waidelich for their remarks.

Report on Classification and Compensation Project. Chief Human Resources Officer Mary Harker said a classification and compensation study was undertaken last year to review jobs, assess current career path opportunities, and analyze ITD's position relative to market competitors. Consultant Jim Fox reported the findings and proposed solutions. Some of the findings related to jobs and careers include ITD currently uses 189 classifications, of which, 68 are specific to the Department; 51% of all classifications have 2 or fewer employees; narrowly-defined classifications can stifle career paths and progression; and employees do not understand the system and how to get ahead except through reclassifications.

Regarding pay, Mr. Fox said the current job evaluation methodology ignores the employee and concentrates on the value of the job; there is a disconnect between the market salary rates and the current salary structure; there is a lack of internal equity; and overall, ITD actual salaries are 11.8% below the competitive market, with some jobs better and some worse. Potential solutions include broad job families and classifications that allow for flexibility in staffing and assignments; understandable career paths; and pay ranges that align with the market.

Chairman Whitehead thanked Mr. Fox for the report.

Executive Session on Personnel and Legal Issues. Member DeLorenzo made a motion to meet in executive session at 11:55 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (c), (d), and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 2:00 PM. No final actions or decisions were made.

Special Presentation. Chief Engineer (CE) Tom Cole presented Blake Thompson from District 2 with the Safety Person of the Year Award. CE Cole recognized Mr. Thompson as a model for safety. He leads by example through his personal commitment to safety. He also noted that families of maintenance employees often sacrifice, as maintenance crews need to be available at all hours, including weekends and holidays.

CE Cole reported that Pete Lenz has been selected as the Maintenance Employee of the Year. Mr. Lenz, from District 1, was unable to attend the meeting. CE Cole emphasized Mr. Lenz's dedication and ingenuity that have resulted in operational efficiencies.

Chairman Whitehead congratulated Messrs. Thompson and Lenz for their well-deserved awards and thanked them for their dedicated service to ITD.

Report on Public Involvement. CE Cole emphasized the importance of public involvement. The Public Outreach Planner (POP) is a tool that provides guidance on the kind of outreach needed for each project and provides a cost estimate.

Adam Rush, Public Involvement Coordinator (PIC), summarized efforts to improve customer service through public input. He elaborated on POP, which assists ITD with customizing public involvement and outreach plans to best serve stakeholders during project design and construction as well as corridor plans and maintenance work. Social networking is another tool that is being used extensively for public outreach.

Chairman Whitehead thanked PIC Rush for the presentation.

Truck Speed Differential Working Group. Government Affairs Manager (GAM) Mollie McCarty reported on a group established by the legislature to review the differential truck speed limit on

Idaho's interstates. Data from various studies was inconclusive. There were differing views on the subject from the trucking industry. ISP expressed support to eliminate the differential speed limit. ITD remained neutral. Because of the different opinions from the working group members, no formal recommendation was made.

In response to Member Kempton's question on ISP's support to eliminate the differential speed limit, GAM McCarty believes its position is due to the desire to have vehicles traveling the same or near the same speed. It prefers uniformity of speed limits. Vice Chairman Coleman noted that some trucks currently travel faster than the posted speed limit. He asked if a truck speed study has been conducted. HOE Laragan replied that the University of Idaho conducted a study. Before the differential speed limit was enacted, there was about a seven mile per hour difference between cars and trucks. After the differential speed limit law was passed, the differential speed limit between cars and trucks increased to about nine miles per hour. HOE Laragan noted the slight increase although the new law resulted in a ten mile per hour difference.

Chairman Whitehead thanked GAM McCarty and HOE Laragan for the report.

New Business. TIM Krause presented five policies impacted by MAP-21: B-11-03, Transportation Enhancement Program; B-11-04, Allocation of Surface Transportation Program Apportionments to Local Public Agencies; B-11-05, Congestion Mitigation/Air Quality Improvement Program; B-11-07, Safe Routes to School Program; and B-19-07, Highway Safety Funds. He requested the Board's review of the current policies prior to the workshop next month.

Member Gagner said the Board Subcommittee on State Highway System Adjustments met yesterday.

Member DeLorenzo reported that District 3 Engineer (DE) Dave Jones is working with the City of Caldwell on a proposal to relinquish approximately 8 miles of I-84 Business in Caldwell. Additionally, per the City's request, the Department would widen US-20/26 east of I-84. DE Jones elaborated on the proposal. The City requested widening US-20/26 1.5 miles because of economic opportunities. The project is estimated to cost \$13 million. Caldwell has already widened .5 mile of US-20/26. Member DeLorenzo added that the Subcommittee is supportive of this transaction. It would like to place the US-20/26 widening project in Early Development during the next program update, and, contingent upon a successful negotiation with the City to accept I-84B onto its system, move the expansion project into the funded Program at a later date.

Vice Chairman Coleman asked if the City of Caldwell may be receptive to assisting with right-of-way acquisition for the widening project. Member Gagner said the City of Caldwell widened the highway within the existing right-of-way. He believes ITD has sufficient right-of-way for the project. DE Jones said he believes approximately \$25,000 would be needed for additional right-of-way. Member Gagner added that there are some improvements planned for I-84B in the ITIP. Some of that funding could be used to offset the cost of widening US-20/26.

Member Vassar made a motion to accept the Board Subcommittee on State Highway System Adjustments' recommendation to pursue an agreement with the City of Caldwell for ITD to widen 1.5 miles of US-20/26 east of I-84 contingent on the City of Caldwell accepting

jurisdiction of the approximately 8-mile I-84 Business route. Vice Chairman Coleman seconded the motion.

Member DeLorenzo asked for clarification if the motion included the addition of the US-20/26 widening project in Early Development and authorization for DE Jones to negotiate with the City of Caldwell to finalize the transaction.

Member Vassar made a substitute motion, with the concurrence of the second, to authorize DE Jones to pursue an agreement with the City of Caldwell for ITD to widen 1.5 miles of US-20/26 east of I-84 contingent on the City of Caldwell accepting jurisdiction of the approximately 8-mile I-84 Business route and then to add the US-20/26 widening project to Early Development of the ITIP. The motion passed unopposed.

Member DeLorenzo said District 3 received a request to add Simco Road to the state highway system. Staff rated the route, resulting in a score of 56. Per policy, a score of 70 is recommended for adding routes to the state system. Based on the score of 56, the Subcommittee on State Highway System Adjustments recommended not pursuing adding Simco Road to the state's system. The Board concurred with informing the highway district that the route does not merit addition to the state highway system.

Member DeLorenzo said when the US-20, Chinden to Broadway connector was constructed in Boise approximately 20 years ago, some state highway segments were inadvertently left on the state highway system. The Board Subcommittee on State Highway System Adjustments recommends removing Fairview Avenue from the state's system for approximately \$550,000.

DE Jones elaborated on the proposal to remove Fairview Avenue, old US-30, from the state's system. ITD would provide Ada County Highway District \$550,000 for pavement rehabilitation to the route.

Without objection, the Board concurred with the proposal and authorized DE Jones to pursue an agreement with Ada County Highway District to transfer old US-30 for \$550,000, with the Board Unallocated Fund as a potential funding source.

Member Gagner thanked DE Jones for his efforts to identify potential routes to relinquish and his innovative approaches.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:40 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
November 14, 2012
Boise, Idaho

SPECIAL WORK SESSION OF THE IDAHO TRANSPORTATION BOARD

October 19, 2012

Idaho Transportation Board Chairman Jerry Whitehead called a special work session of the Idaho Transportation Board at 1:00 PM on Friday, October 19, 2012. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Julie DeLorenzo, Member – District 3
Lee Gagner, Member – District 6
Brian W. Ness, Director
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

Chairman Whitehead thanked the participants for attending the special work session. He noted the session is optional and the other Board members were excused from attending.

Transportation and Economic Development Zone (TEDZ). Consultant Jeremy Pisca explained the federal Transportation Infrastructure Finance and Innovation Act (TIFIA), whereby federal funds are available as a loan to states for transportation projects. TIFIA funds could be used for up to 49% of project costs, including environmental work and preliminary design. The minimum size of a rural project is \$25 million. Interest rates would be ½ of the standard US Treasury rate at the date of close.

TIFIA could be used with the TEDZ proposal. Mr. Pisca said TEDZ involves identifying boundaries and diverting a portion of the estimated sales taxes collected within that zone to a specific project fund. The fund is continuously appropriated for the purpose of paying the debt service of the highway project. The proposal requires ITD and the Department of Commerce to work cooperatively to select a state highway project to fund via this mechanism and also to approve the boundaries. An economist would need to determine the total revenue impact within the zone, which must be at least twice the cost of the infrastructure improvements. Additionally, a majority of local jurisdictions within the identified boundary must approve formation of the zone. ITD retains control over the highway projects. Mr. Pisca also emphasized that TEDZ would be an optional funding mechanism. The Departments of Commerce and Transportation would determine if and where it would be used. He added that revenue collected in the zone that is in excess of the required loan payment would be diverted to the General Fund. The entire state could benefit from this proposal.

Discussion followed on the proposal. Some of the concerns included the ongoing costs to maintain new routes and purchase maintenance equipment, the liability of a continuously-appropriated fund based on sales tax collections, and that small areas may be precluded from participating. Money for the non-TIFIA funded portion of the project could come from various sources. Federal formula funds could be used for 31% of the costs. Other options may be tolls or local option taxes.

In response to a question on who would pay for the economist to study a proposed zone, Mr. Pisca said that expense would be shared between the Departments of Commerce and Transportation. When it was suggested that a private entity be allowed to fund the economic study, Mr. Pisca replied that the intent is to keep the study independent. The accuracy of a private entity's study may be questioned.

Mark Warbis, Communications Director from the Governor's Office, asked about an escape mechanism in case the economy plummets. He asked who would be responsible to repay the loan if sales tax revenue from the zone is the only funding source and those funds are insufficient. Economist Dr. John Church replied that the economists' initial funding review would estimate the funding potential for a long period of time. He noted that historically, the economy goes up and down. Vice Chairman Coleman suggested diverting excess revenue during good economic times to a reserve account to be used for debt payment if the revenue generated does not meet the estimated projections.

Chairman Whitehead thanked the participants for the additional information on the proposal.

WHEREUPON the special session of the Transportation Board adjourned at 2:45 PM.

signed

Jerry Whitehead, Chairman
Idaho Transportation Board

Read and Approved
November 14, 2012
Boise, Idaho

DISTRICT 4 TOUR AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

September 19-20, 2012

The Idaho Transportation Board met at 9:00 AM, on Wednesday, September 19, 2012, in Hailey, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Jan Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 4 Tour. The Board visited Friedman Memorial Airport. Airport Manager Rick Baird provided an update on efforts to relocate the facility. The Environmental Impact Statement has been suspended, so relocation activities are on hold. In the interim, other improvements are being explored to meet federal standards.

The Board traveled north of Ketchum on SH-75. Jennifer Smith, City of Ketchum Parks and Recreation Director, emphasized the importance of tourism and recreation to the economy. Efforts are underway to construct a whitewater park. The group is working closely with District 4 Engineer (DE) Devin Rigby and other impacted agencies.

The Board visited the Mountain Rides facility in Ketchum. Jason Miller, Mountain Rides Executive Director, summarized transit options in the Wood River Valley, including fixed-route bus service, vanpools, ridesharing, and biking and walking programs. Efforts to construct a transportation hub are continuing. A majority of the funding has been secured. Discussions are underway with the City of Ketchum on a potential site for the hub.

As the Board traveled SH-75 and US-93 south to Twin Falls, it learned about projects along the route. It toured the Chobani yogurt plant under construction. Approximately 300 trucks are expected at the plant on SH-50 daily to make deliveries and export finished products.

WHEREUPON the tour recessed at 5:35 PM.

September 20, 2012

The Board reconvened at 8:00 AM on Thursday, September 20, 2012, at the District 4 Office in Shoshone, Idaho. All members were present. Larry Allen, Deputy Attorney General (DAG), was also present.

Board Minutes. Member Gagner made a motion to approve the minutes of the regular Board meeting held on August 15-16, 2012 as submitted. Member Vassar seconded the motion and it passed unopposed.

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

October 17-18, 2012 – Boise

November 13-14, 2012 – Boise

December 12-13, 2012 – Boise

Consent Calendar. Member Vassar expressed support for Gretchen Hellar's appointment to the Public Transportation Advisory Council. Member Vassar made a motion, seconded by Vice Chairman Coleman, and passed unopposed, to approve the following resolution:

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

ITB12-42 approves the Public Transportation Advisory Council appointment for District 1 and has received and reviewed the contract award information, the professional services agreements and term agreement work task report, and the report of speed minute entry changes for August 2012.

1) Appointment of Public Transportation Advisory Council (PTAC) Member for District 1. After Craig Wilcox was appointed to the PTAC in June 2012 to represent District 1, he accepted a new job outside of Idaho, precluding him from meeting the requirements as a member of PTAC. Staff solicited applicants to fill the vacant position. Staff recommends the appointment of Gretchen Hellar to represent District 1 on the PTAC through 2015.

2) Contract Awards. Key #13363 – SH-55, FY13 Sealcoats, Valley County, District 3. Low bidder: Snake River Construction, Inc. – \$706,373.

Key #2843 – US-95, Weiser River Bridge, South of Weiser, District 3. Low bidder: Braun-Jensen, Inc. - \$4,798,000.

Key #13362 – FY13 Sealcoats, Owyhee and Canyon Counties, District 3. Low bidder: Knife River Corporation – Northwest - \$1,580,432.

Key #13059 – SH-44, Intersection North Linder Road and SH-44/State Street, Ada County, Stage 1, District 3. Low bidder: Central Paving Company, Inc. - \$9,226,897.

Key #11573 – SH-78, Junction SH-51 to Hammett, District 3. Low bidder: Central Paving Company, Inc. - \$2,591,941.

The low bid on key #10549 – Southwest 3rd Street; Iowa Avenue to Junction US-95, Fruitland, District 3, was more than ten percent over the engineer’s estimate, requiring justification. The Local Highway Technical Assistance Council (LHTAC) reviewed the bids and recommended awarding the project. The main difference between the bids and engineer’s estimate is in the Concrete Sidewalk and Curb and Gutter items and may be due to a concrete additive. LHTAC does not anticipate a cost savings if the project is re-advertised because the bids received were relatively similar. Low bidder: Irvco Asphalt & Gravel, Inc. - \$2,249,710.

Key #9989 – Intersection Star and East Franklin Roads, Canyon County, District 3. Low bidder: Staker & Parson Companies dba Idaho Sand & Gravel Company - \$1,291,888.

Key #9850 – East Main Canal Bridge, Richfield Highway District, District 4. Low bidder: Cannon Builders, Inc. - \$1,081,676.

Key #13081 – SH-77 Spur, City of Rocks Backcountry Byway Stage 5, Cassia County, District 4. Low bidder: Knife River Corporation – Northwest - \$2,080,093.

3) Professional Services Agreements and Term Agreement Work Task Report. From July 30 through August 31, 26 new professional services agreements and work tasks were processed, totaling \$1,685,674. Five supplemental agreements to existing agreements were processed in the amount of \$606,500 during this period.

4) Speed Minute Entry Changes for August 2012. The following speed minute entry changes were made in August in Districts 2 and 3:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
US-95	311.707	317.548	55	60
US-20	40.229	43.890	45	50

Policy Review. Member Kempton said he has been working with Member Vassar and DAG Allen on reviewing all of the Board policies. The intent is to introduce a few policies at each Board meeting for review and possible revision. Those policies will then be presented for approval the following month, providing an opportunity for both Board and staff members to review the policies and contemplate changes.

DAG Allen presented three policies for review and proposed revisions: B-01-12, Purchase of State Property by Department Personnel; B-03-01, Acquisition and Disposal of Real Properties and their Improvements; and B-03-03, Appraisal of Access.

B-03-01 authorizes staff to award an administrative settlement of up to \$200,000 over the reviewed fair market value of the property. Member Gagner expressed support to use a percentage to determine staff's authority on administrative settlements instead of a dollar amount.

Member Gagner made a motion directing staff to review the \$200,000 authorization and determine a similar percentage to be used for administrative settlements. Member Kempton seconded the motion and it passed unopposed.

Some discussion was held on proposed revisions to B-03-03 to require just compensation when property owners are granted a requested access. It was noted that the Access Management Committee did not discuss that option.

Director's Report. Director Ness reported on various recognitions the Department received, including nationally for its practical design initiative, bridge management, and motorcycle safety program. Lotwick Reese was recognized for his work in hydraulics engineering and Chief Engineer Tom Cole was named to several American Association of State Highway and Transportation Officials' subcommittees. Maintenance crews have been commended for their assistance with the state's fire activities. An airport directory application has been developed, providing visual flight rules and diagrams for 134 Idaho airports and aviation facilities. Director Ness commended staff for creating this application, which not only provides valuable information, but also provides a safety component.

Director Ness said U.S. Department of Transportation Secretary Ray LaHood visited the Port of Lewiston last month in conjunction with the announcement that the port received a federal grant to expand its dock.

Delegation – Southern Idaho Tourism Council. Southern Idaho Tourism Council Executive Director Debbie Dane emphasized the importance of the transportation

system. She believes the scenic byway program is especially beneficial to the tourism industry, which is vital to the state's economy. She provided an overview on the US-30/SH-50 Thousand Springs Scenic Byway and provided an update on various projects along the route. Construction has started on the wildlife viewing area at the Hagerman Rest Area. She thanked DE Rigby and his staff for the partnership and the assistance they have provided.

Member Kempton noted the importance of the scenic byway program. He asked if property owners along the Thousand Springs Scenic Byway were supportive of the efforts or if there were concerns related to restrictions and potential development limitations. Ms. Dane replied that there were some concerns; however, the Scenic Byway committee had excellent support from local government and, overall, the community was supportive.

Chairman Whitehead thanked Ms. Dane for the report and commended her efforts on the byway.

Access Control Map. Transportation Systems Manager (TSM) Jason Brinkman said that as part of the revisions approved to the Rules Governing Highway Right-of-Way Encroachments on State Rights-of-Way last month, all routes on the state highway system must be classified into one of four hierarchical rating categories. The Investment Corridor Analysis Planning System (ICAPS) is being developed as a planning tool for the continuing evolution toward a more data-driven and performance-based approach to highway planning. ICAPS assesses user experience on state highways based on the three elements of the Department's mission statement: safety, mobility, and economic opportunity. Four data sets have been selected to serve as proxies for the highway user experience. Those four areas were combined into an overall hierarchies and priorities map that classifies routes as Interstate, Statewide, Regional, or District. Although ICAPS has not been approved yet, it was used to develop the access control map.

Member Gagner asked if the map will be used for other purposes. TSM Brinkman said the Board is being asked to approve the map for access control purposes only at this time. The data and methodology will presumably be used to establish policies and/or priorities such as winter maintenance service. Member Kempton expressed some concern with labeling some routes as a lower priority, particularly due to the importance of all routes in the Magic Valley to move products.

Vice Chairman Coleman expressed support to approve the access control map. It will help with access issues while maintaining the integrity of the transportation system, focusing on mobility and safety.

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

RES. NO. WHEREAS, Idaho Code 40-3109(9) and 40-311(1) give the Idaho Transportation

ITB12-43 Board the authority to control access on the state highway system; and

WHEREAS, Idaho Code 40-312 gives the Board the authority to prescribe rules and regulations affecting state highways; and

WHEREAS, Administrative Rule IDAPA 39.03.42 Governs Access to State Highway Rights-of-Way; and

WHEREAS, the Board approved a new temporary and proposed Administrative Rule IDAPA 39.03.42 through Board Resolution ITB12-36 in August 2012; and

WHEREAS, the revised version of IDAPA 39.03.42 relies upon a hierarchical map of all highways on the State Highway System, with individual routes and segments classified in one of Interstate, Statewide, Regional, or District; and

WHEREAS, a system for assigning highway routes and segments to tiers based upon hierarchies and priorities is under development and has been used to produce the Access Control Map; and

WHEREAS, the Board desires to have the revised version of IDAPA 39.03.42 adopted by the Idaho legislature as a temporary rule, effective October 1, 2012.

NOW THEREFORE BE IT RESOLVED, that the Board accepts the Access Control Map, dated September 2012, as shown as Exhibit 418, which is made a part hereof with like effect, as the basis of the highway route and segment classifications pursuant to the temporary and proposed version of IDAPA 39.03.42

Adopt-A-Highway Presentation (AAH). Member Kempton recognized the Broken Arrow Pony Club for its participation in the AAH Program. The group has been picking up litter along US-30, mileposts 173 to 175, since 2009. He expressed appreciation for its valuable service.

MAP-21 Briefing. Matt Moore, Transportation Legislation Policy Specialist, summarized the recently approved federal surface transportation act. Highlights are restructuring the core and formula programs, including the elimination of 60 programs; a funding decrease for Idaho's highways of approximately 6% or \$15 million, although a funding increase in 2013 and 2014 is possible; a transit funding increase; accelerating project delivery; incorporating performance management; and expanding safety efforts. He added that staff is awaiting passage of a continuing resolution to understand the actual funding levels.

Idaho Moves Freight. Rick Naerebout, Idaho Dairymen's Association, LLC, provided an overview on the state's dairy industry. Idaho is third in the nation in both milk and cheese production. He emphasized the importance of a good transportation system. Higher truck weights are not beneficial unless those weights are allowed on secondary roads. Another challenge is the perception that dairies don't pay their fair share to offset the impacts to roadways. The numerous highway districts and their various rules and regulations also make it difficult to operate. He expressed support to consolidate highway districts, eliminating duplication efforts and costs.

Some discussion followed on potential impacts of the new Chobani yogurt plant. Although some dairies may expand to meet the demand for milk, Mr. Naerebout said milk production dropped in 2009 and has not recovered yet. He also believes that expansion would probably occur in Minidoka and Cassia Counties versus Jerome and Twin Falls Counties. In response to a question on potential transportation concerns with delivering milk to the Chobani plant, Mr. Naerebout believes traffic will shift. Milk that was delivered elsewhere in the region would now be transported to Twin Falls. Traffic patterns will change.

Chairman Whitehead thanked Mr. Naerebout for the overview on the dairy industry and related transportation issues.

Overlegal Permitting Process. Motor Carrier Services Manager (MCSM) Reymundo Rodriguez explained the overlegal permitting process. Idaho Code authorizes the Department to issue an overlegal permit to the owner or operator of any vehicle/load having a greater weight or size than permitted by law to be moved or carried over the highways and bridges of which it has jurisdiction. Staff issues approximately 65,000 to 67,000 overlegal permits annually. Overlegal permits have specific conditions and requirements for the safe and efficient movement of commerce on Idaho highways and bridges. He also explained the difference between and requirements for reducible and non-reducible loads and annual permits and single-trip permits.

Some discussion was held on the importance of accommodating overlegal loads, particularly by eliminating height restrictions.

Chairman Whitehead thanked MCSM Rodriguez for the informative presentation.

Public Transportation Update. Vanessa Fry, District 4 Mobility Manager, reported on the public transportation services in the District. The three providers in the area have expanded service. Now, every county in District 4 has some transit service. The biggest challenge continues to be funding, particularly the local match.

Member Kempton presented the I-Way Leadership Award to Melva Heinrich with LINC for her assistance with providing transportation options to senior citizens and citizens with disabilities.

Chairman Whitehead thanked Ms. Fry for the report.

Recommended FY13-17 Idaho Transportation Investment Program (ITIP). Manager of Transportation Investments (MTI) John Krause presented the recommended FY13-17 ITIP. He noted changes to the Program since the draft was presented in June and July. Some of those include the advance and delay of projects as a result of delivery during the end-of-year review, modifications to FY13 and 14 as a result of MAP-21, and the addition of 21 discretionary Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) awards.

MTI Krause summarized the public involvement process. During the comment period from July 30 through August 30, 44 comments were submitted to ITD, with 35 comments related to the I-84, Meridian Interchange project. Additionally, a number of comments were received after August 30 expressing appreciation for the Safe Routes to School program and supporting funding for bicycle and pedestrian-related projects.

Senior Planner – Programming Nathan Hesterman provided additional information on MAP-21. A number of program changes occurred, such as the elimination of the Interstate Maintenance Program and the consolidation of several programs like safe routes to school, enhancements, and recreational trails into a new Transportation Alternatives Program. Several Board policies will need to be reviewed and updated soon to address MAP-21 changes.

MTI Krause added that upon approval of the ITIP, staff will ensure that the metropolitan planning organizations' Transportation Improvement Programs are mirrored in the document and will then submit it to FHWA, FTA, and the Environmental Protection Agency for approval.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department

ITB12-44 to publish and accomplish a current, realistic, and fiscally constrained Idaho Transportation Investment Program (ITIP); and

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

WHEREAS, the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) requires that a list of projects covering a four-year minimum be provided in a statewide transportation improvement program; and

WHEREAS, the 2012 Moving Ahead for Progress in the 21st Century (MAP-21) similarly requires the development of a statewide transportation improvement program; and

WHEREAS, the Divisions of Highways, Transportation Performance, and Aeronautics have recommended new projects and updated the costs and schedules for projects in the Recommended FY13-17 ITIP; and

WHEREAS, the Recommended FY13-17 ITIP was developed in accordance with all applicable federal, state, and policy requirements including adequate opportunity for public involvement and comment; and

WHEREAS, the Recommended FY13-17 ITIP incorporated public involvement and comment whenever appropriate while maintaining a fiscally constrained Program; and

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

NOW THEREFORE BE IT RESOLVED, that the Board approves the Recommended FY13-17 ITIP, which is on file in the Office of Transportation Investments; and

BE IT FURTHER RESOLVED, that staff is authorized to submit the federal format of the Recommended FY13-17 ITIP for approval in accordance with the provisions of SAFETEA-LU and MAP-21.

August 2012 Revenue Forecast and FY14 Proposed Budget Request. Economics and Research Manager Bob Thompson presented the revised revenue forecast. The projected revenue to ITD from all sources of funding in FY14 is \$545,450,000. The funding total reflects an approximate 6% decrease in FHWA funding, approximately 42% more in FTA funding, and a \$4.2 million decrease in state revenue.

Senior Budget Analyst Joel Drake summarized the proposed FY14 budget request. Some highlights include 1,827.5 full-time positions; \$28.1 million for equipment; a capital facilities program of \$4 million; \$247.3 million for contract construction; and \$55.3 million for debt service. The request includes seven line items totaling \$7.9 million to upgrade district maintenance sheds, enhance highway technology systems, improve security at ports-of-entry, and strengthen the ability to conduct business operations following disaster events.

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

RES. NO. WHEREAS, the FY14 Idaho Transportation Department budget request will be

ITB12-45 prepared in accordance with instructions in the Division of Financial Management's (DFM) Budget Development Manual; and

WHEREAS, the Idaho Transportation Board has reviewed the proposed FY14 budget request summary.

NOW THEREFORE BE IT RESOLVED, that the Board has reviewed the budget request estimates and guidance provided as presented in the Department Summary and Certification, submitted for approval September 20, 2012, as shown as Exhibit 419, 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 submitted to DFM and Legislative Services Office.

Monthly Financial Statements. MTI Krause reported that net cumulative obligations were \$326,700,000 as of August 31, of which \$284,200,000 had a budget scheduled

on October 1. The original budget cost associated with the scheduled obligations is \$318,500,000. Net cumulative obligations are 1.6% higher than August's historical trend of \$321,400,000.

Controller Gordon Wilmoth said FHWA Indirect Cost Allocation revenue through July was \$2,917,200, which was above the projected amount of \$2,354,800. Miscellaneous state funded revenue of \$2,784,000 was \$142,200 below the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$14,415,400. The projected revenue was \$14,230,600. Revenue from the ethanol exemption elimination was \$1,312,000, which was 1.8% above the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$132,637, resulting in a 0% variance.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,400,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,815,000 of the \$9,200,000 available.

Executive Session on Personnel and Legal Issues. Member Gagner made a motion to meet in executive session at 12:25 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(a), (b), (c), (d), and (f). Member Horsch seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 3:15 PM. No final actions or decisions were made.

Member Vassar left the meeting at this time.

GARVEE Program Overview and Bonding Update. Strategic Funding Specialist (SFS) Dave Tolman reported on recent meetings with Moody's and Fitch regarding bonding for GARVEE projects. Both re-affirmed ITD's previous ratings of Aa2 and A+, respectively. He noted that Fitch downgraded the ratings on 11 GARVEE bond programs. Idaho was the only one that maintained the previous rating and Michigan was moved up to the same rating as Idaho.

SFS Tolman said the intent is to issue \$38 million in bonds next month to pay for the SH-16 expansion and \$82 million in late 2013 to fund reconstruction of the I-84, Meridian, Broadway, and Gowen Interchanges. The sale of the two bonds will bring the total of the GARVEE program to \$857 million. The debt is being restructured to optimize the programmed amount for debt service and save on interest costs. The

Department plans to pay \$3 million more annually for a total of \$59 million. This strategy will save the state \$40 million in interest and reduce the final two loan payments to less than \$10 million each. This approach and favorable market conditions will allow Idaho to issue these bonds at a projected interest rate of 3.3 to 3.6%.

Vice Chairman Coleman noted the intent to use federal formula funds now for right-of-way and design and sell bonds in 2013 for construction. Because of the favorable, low interest rates now, he questioned bonding now and using formula funds later. SFS Tolman believes that due to timing issues and cash flow concerns, it is best to proceed with the original plan.

GARVEE Program Manager (GPM) Amy Schroeder presented the FY13 working plan summary. Items of specific note are the inclusion of \$2 million interest earnings, bringing the program total to \$857 million; addition of three new projects – the Meridian Interchange in the I-84, Caldwell to Meridian corridor and the Broadway and Gowen Interchanges in the I-84, Orchard to Isaacs Canyon corridor; and approximately \$4.5 million for program management of the new interchange projects.

GPM Schroeder explained the approach being used to accelerate the new interchange projects: to utilize the formula funding first to pay for development and right-of-way costs and then bond for the \$80 million GARVEE bonds next year when the projects are ready for construction. This approach optimizes the cash flow and reduces interest that would be accumulating while the projects are being prepared for construction.

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

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the
ITB12-46 timeframe and scope of improvements for the State Transportation System; and

WHEREAS, Idaho Code 40-315 directs the Board to consider the cost of the projects and whether or not the project could be funded without Grant Anticipation Revenue Vehicle (GARVEE) bonding; and

WHEREAS, Idaho Code 40-315 directs the Board to balance and coordinate the use of bonding with the use of highways construction funding; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of GARVEE bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GARVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects, including:

- US-95, Garwood to Sagle
- US-95, Worley to Setters
- SH-16 Extension, I-84 to South Emmett
- I-84, Caldwell to Meridian
- I-84, Orchard to Isaacs Canyon
- US-30, McCammon to Soda Springs; and

WHEREAS, three new interchange projects have been proposed to be included in the GARVEE program on I-84 – Meridian Road Interchange, Broadway Avenue Interchange, and Gowen Road Interchange; and

WHEREAS, the proposed projects were included in the draft Idaho Transportation Investment Program, which was published for public comment.

NOW THEREFORE BE IT RESOLVED, that the Board approves the GARVEE fiscal year 2013 Working Plan Summary, as shown as Exhibit 420, which is made a part hereof with like effect, a copy of which has been provided to the Board.

GPM Schroeder presented the draft annual GARVEE report. The document includes an update on the program, the history of the program, a summary of the corridors and maps, and a list of services providers. The report is due to the legislature by September 30.

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

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the
ITB12-47 timeframe and scope of improvements for the State Transportation System; and

WHEREAS, Idaho Code 40-315 includes a legislative reporting requirement wherein the GARVEE Transportation Program submits an annual update on the status of highway transportation projects being constructed with bond financing.

NOW THEREFORE BE IT RESOLVED, that the Board approves the 2012 GARVEE Annual Legislative Report, which is on file in the GARVEE Program Office, and, in turn directs staff to publish and submit the report to the legislature.

Alternative Project Delivery. GPM Schroeder summarized the efforts to date on the Department's first design-build project, SH-44, Linder Road to Ballantyne Lane. Using the best value procurement process, the contractor/consultant team of Central Paving Company Inc. and Horrocks Engineering was selected. Criteria such as the technical proposal score, bidder's contract time, and price were considered. She also covered the project nomination and selection process and outreach efforts. She added that this exercise has been a learning process and revisions are being made to the process.

Property Trade with Camas County, District 4. DE Rigby requested a property trade with Camas County. ITD owns a 35.46 acre materials site north of Fairfield. The parcel has been largely excavated over the years with the undulated areas being filled with subwater, creating substantial wetland areas. Although the northerly portion of the property, approximately 9 acres, is still a viable source of materials, active use is hindered by access issues.

Camas County owns 11 acres ¼ mile east of ITD's property. The county site has access directly to 100 North County Road and is available for immediate excavation. Camas County would like to trade properties to develop the ITD site into an outdoor environmental instruction area for children and to provide a multi-use recreational site. Advantages to ITD to trade property are more usable gravel, better access to the new source, and the value of the mined portion of the source that is being traded primarily lies in the value of the wetlands and the state is reserving the right to claim that value for future project wetland mitigation needs.

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

RES. NO. WHEREAS, the Idaho Transportation Department is owner in fee simple title of a

ITB12-48 property known as CM-67 located in the E ½ SW ¼ of Section 3, Township 1 South, Range 14 East, Boise Meridian; consisting of 35.46 acres; and

WHEREAS, Camas County is owner in fee simple title of a parcel known as CM-83, located in the SW ¼ SE ¼, Section 3, Township 1 South, Range 14 East, Boise Meridian; consisting of 11.0 acres; and

WHEREAS, Camas County has requested a trade of properties to facilitate the development of a community learning center and multi-use recreation area; and

WHEREAS, District 4 of the Idaho Transportation Department has approved and submitted the Request and Authorization for Disposal and Sale of Real Property; and

WHEREAS, it is in the best interest of the Department and Camas County to execute the trade of CM-67 and CM-83 being considered equal in use; and

WHEREAS, the State will reserve, through the state local agreement, the right to claim the credit for existing wetlands for future wetland mitigation needs.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board authorizes CM-67 as surplus property and approves the trade of CM-67 for CM-83.

District 4 Report. DE Rigby provided an update on the partnership with the City of Hansen to improve the intersection of Rock Creek Road and US-30. The right-of-way has been acquired and the project is proceeding well. He reported that the 2012 construction season included improvements to 32 bridges; approximately 150 miles of sealcoats or microseals; about 55 miles of inlays, overlays, or sealcoats; and the installation of one traffic signal. A concerted effort was made to minimize impacts to the traveling public. The District delivered 20 of its 27 projects by December 31, 2011 and 26 by May 5, 2012, plus three additional projects.

DE Rigby reported on after storm critique efforts and winter maintenance training. A tiered approach provides different training for new employees than seasoned employees. Some best operating practices included erecting snow fences and snow

trenches to address blowing and drifting snow. He also summarized the assistance the maintenance crews have been providing for firefighting efforts.

Chairman Whitehead thanked DE Rigby for the report and his efforts, particularly in conjunction with the tour and meeting in District 4.

Draft Legislation for 2012. Mollie McCarty, Governmental Affairs Manager (GAM), said nine legislative ideas were initially submitted to DFM. Because the original proposal for an aircraft registration increase was replaced with a new version, the original request was withdrawn. DFM has approved the remaining eight ideas. GAM McCarty presented draft legislation for the approved concepts, along with the fiscal impact to all affected parties.

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

RES. NO. WHEREAS, the Office of the Governor of Idaho has requested that state agencies

ITB12-49 submit proposed 2013 legislation to the Division of Financial Management (DFM) for review and approval; and

WHEREAS, the Idaho Transportation Board, at the July and August 2012 meetings, reviewed and approved legislative ideas for submission to DFM; and

WHEREAS, DFM approved eight of the original nine legislative ideas submitted, authorizing the development of legislative proposals.

NOW THEREFORE BE IT RESOLVED, that the Board approves eight of the eight draft legislation proposals, listed individually below, for submittal to DFM for its consideration:

- State Designation of Airports
- Municipal Airports – State Review of Federal Grant Requests
- Salvage Title Issuance by ITD
- Staggered Vehicle Registrations
- Pilot Registration Change
- Relinquishing State Routes to Locals
- Aviation Fuel Tax Increase
- Aircraft Registration Increase

New Business. Vice Chairman Coleman said an off-system bridge in Idaho County has been declared unsafe. ITD staff has been working with FHWA on solutions.

FHWA committed to reimburse the Department 100% for its expenses. He also mentioned that the Department needs to make repairs to this bridge to ensure FHWA does not withhold the state's federal funds.

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

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department to

ITB12-50 accomplish a current, realistic, and fiscally constrained Highway Transportation Investment Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) and Moving Ahead for Progress in the 21st Century require that a priority list of projects covering a minimum four year period be provided in a federally approved Statewide Transportation Improvement Program (STIP); and

WHEREAS, Board Policy B-11-02, Highway Development Program, stipulates that the Board shall select the projects to be included in the Program; and

WHEREAS, the Board and the Department are committed to providing the safest transportation system possible; and

WHEREAS, it was determined that unsafe conditions existed on an Idaho County bridge used daily by the public; and

WHEREAS, it was recognized that the deterioration of this bridge presented public safety concerns for Idaho citizens.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes staff to make the appropriate changes to add Key #13379, Elk Meadow Creek Bridge, to the federally approved FY12-16 STIP in accordance with the provisions of SAFETEA-LU.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 4:35 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
October 17, 2012
Boise, Idaho

DISTRICT 6 TOUR AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

August 15-16, 2012

The Idaho Transportation Board met at 10:00 AM, on Wednesday, August 15, 2012, in Challis, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Jan Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 6 Tour. The Board traveled US-93 and SH-75 south. It toured the Thompson Creek Mine and learned about the economic impacts of Custer County's largest employer. The City of Challis, Access Bus, and Thompson Creek Mine established a shuttle service earlier this year to transport workers to the facility. From May 2 through July 31, it provided 4,981 rides.

The Board traveled SH-75 and US-93 north to Salmon.

WHEREUPON the tour recessed at 5:30 PM.

August 16, 2012

The Board reconvened at 8:00 AM on Thursday, August 16, 2012, at the Sacajawea Center in Salmon, Idaho. All members were present. Larry Allen, Deputy Attorney General (DAG), was also present.

Highway Safety Workshop. Highway Safety Manager (HSM) Brent Jennings said research to develop media messages and outreach tools to improve highway safety were conducted recently. He believes it is critical to encourage and support a culture of traffic safety.

Jay Otto, Director of the Center for Health and Safety Culture at the Western Transportation Institute of Montana State University, presented the Positive Community Norms framework that is guiding the effort to improve ITD's highway safety messages with a focus on impaired driving. The intent is to encourage and support a culture of traffic safety through engaging community leaders, creating effective communication campaigns, and strategically allocating and integrating prevention resources. A two-year pilot project to reduce impaired driving through messages that engage bystanders will commence this fall in Blackfoot, Lewiston, and Twin Falls.

Chief Deputy Stokes acknowledged the numerous partnerships that have been established throughout the state to work towards zero deaths. He recognized the Idaho Traffic Safety Commission for its extensive efforts to eliminate highway fatalities and injuries.

Chairman Whitehead thanked Mr. Otto for the Positive Community Norms presentation. He believes it is a valuable program and expressed support for this approach.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on July 18-19, 2012 as submitted and the minutes of the special Board meeting held on August 3, 2012 as submitted. Member Horsch seconded the motion and it passed unopposed.

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

September 19-20, 2012 – District 4

October 17-18, 2012 – Boise

November 13-14, 2012 – Boise

Consent Calendar. Member Gagner made a motion, seconded by Member Vassar, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-34 approves the FY12 account write off and has received and reviewed the annual return check report for FY12, the summary of FY12 budgeted vs. actual out-of-state travel, the contract award information, the professional services agreements and term agreement work task report, and July 2012 speed minute entry changes.

1) FY12 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 a designee reviews and approves for write off all accounts less than \$1,000. For FY12, staff requests Board approval to write off 23 accounts totaling \$94,859.44, as shown as Exhibit 416, which is made a part hereof with like effect. Seventy accounts in amounts less than \$1,000 have been determined as uncollectible, totaling \$22,742.19. The outstanding receivables are more than three years delinquent. Customers are not allowed to do business with ITD until their deficiencies are paid or the statute of limitations is reached.

2) Return Check Report for FY12. During FY12, \$37,876,440 in checks were received, while 102 checks, or .47%, totaling \$179,131 were returned. Collection of returned checks equaled \$194,952 for an annual collection rate of 108.83%.

3) Summary of FY12 Actual vs. Budgeted Out-of-State Travel. In FY12, out-of-state travel expenditures totaled \$187,847. The budgeted amount was \$251,300. In comparison, \$153,246 was spent on out-of-state travel in FY11. In FY12, \$1,065,358 was expended on in-state travel, compared to \$1,069,568 in FY11.

4) Contract Awards. Key #13368 – I-84, 850 West Road Underpass Bridge Repair, District 4. Low bidder: Cannon Builders, Inc. – \$142,269.

Key #11064 – I-84 and SH-81, FY13 District 4 Districtwide Sealcoats. Low bidder: Kloepfer, Inc. - \$2,533,776.

5) Professional Services Agreements and Term Agreement Work Task Report. From June 29 through July 27, 24 new professional services agreements and work tasks were processed, totaling \$3,415,600. Six supplemental agreements to existing agreements were processed in the amount of \$217,900 during this period.

6) Speed Minute Entry Changes for July 2012. The following speed minute entry changes were made in July in Districts 3 and 4:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
SH-44	2.858	3.164	35	40

SH-44	3.164	3.364	25	35
SH-44	4.290	4.440	45	35
US-30	203.350	203.800	60	45

Director's Report. Director Ness reported on various activities and meetings from the past month, including a workshop on impaired driving, a leadership summit, and the completion of freight study meetings in each District. Idaho was one of ten states to achieve a gold level designation from Donate Life America. Some staff members are in New York to initiate the ratings for the October GARVEE bond sale, estimated between \$35 and \$40 million.

Director Ness said ITD had been leasing office space near the ITD Headquarters campus for a number of years. Employees have been relocated to buildings on the Headquarters campus. Vacating the leased offices will save approximately \$145,000 annually.

District 5 has been contacted by a number of entities requesting more information on its winter maintenance measures since its presentation at the Western Association of State Highway and Transportation Officials conference last month. Director Ness commended the various employees for their continued efforts to make ITD the best transportation department in the country.

Adopt-A-Highway Presentation (AAH). Member Gagner recognized Wal-Mart #1878 for its participation in the AAH Program. The Rexburg group has been picking up litter since 2003. It adopted the stretch of US-20 from milepost 331.9 to 333.4.

Highway Safety Report and Highway Safety Performance Plan FY13. HSM Jennings said the goal of the Highway Safety Program is to eliminate deaths, serious injuries, and economic losses resulting from traffic crashes by implementing programs to address driver behaviors. In 2011, there were 167 fatalities and 10,866 injuries as a result of traffic crashes in Idaho. The state's fatality rate of 1.08 is lower than the national rate of 1.09 fatalities per 100 million annual vehicle miles traveled.

HSM Jennings presented the FY13 Highway Safety Performance Plan. It is prepared annually in accordance with federal requirements to identify and address Idaho's most critical behavior-related highway safety problems. Federal grant funding for state and local activities is estimated at \$7.2 million for FY13. Some of the focus areas are impaired drivers, aggressive driving, youthful drivers, and safety restraints. The Plan was approved by the Idaho Traffic Safety Commission at its June meeting.

Member DeLorenzo recommended making grammatical, non-substantive revisions to the Plan. The Board concurred.

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

RES. NO. WHEREAS, Idaho experienced 20,833 reportable traffic crashes, 167 traffic

ITB12-35 deaths, and 10,866 people injured in 2011; and

WHEREAS, the economic cost of traffic crashes in Idaho for 2011 was just over \$2.1 billion; and

WHEREAS, Idaho's fatality rate for 2011 was 1.08 fatalities per 100 million annual vehicle miles traveled, which is lower than the estimated national rate of 1.09 fatalities per 100 million annual vehicle miles traveled; and

WHEREAS, the Idaho Transportation Department's goal is to have zero traffic deaths; and

WHEREAS, the National Highway Traffic Safety Administration (NHTSA) may allocate about \$6.2 million in funding behavior safety programs for Idaho to reduce traffic deaths and serious injuries; and

WHEREAS, the Federal Highway Administration may allocate about \$1 million from the Highway Safety Improvement Program for behavior type projects; and

WHEREAS, the Idaho Traffic Safety Commission and the Office of Highway Safety have developed the Highway Safety Performance Plan for Federal Fiscal Year 2013 to work towards the elimination of Idaho traffic deaths, serious injuries, and economic losses; and

WHEREAS, the Highway Safety Performance Plan is required by NHTSA in order to receive funding from NHTSA.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board adopts the Highway Safety Performance Plan for Federal Fiscal Year 2013, which is on file in the Office of Highway Safety.

Revised Administrative Rule on Right-of-Way Encroachments. Highways Operations Engineer (HOE) Greg Laragan summarized revisions to IDAPA 39.03.42, Rules Governing Highway Right-of-Way Encroachment to streamline the access permit application process and ensure compatibility with the goals of safety, mobility, and economic opportunity. Minor, non-substantive changes were made to the rule since it was presented to the Board last month for review. He added that the corridor planning map has not been finalized yet.

Vice Chairman Coleman acknowledged HOE Laragan, District Engineer (DE) 6 Blake Rindlisbacher, and DAG Chris Kronberg for their efforts on access management and the rule revisions. Chairman Whitehead also recognized Vice Chairman Coleman's leadership on the Access Management Committee.

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

RES. NO. WHEREAS, Idaho Code 40-3109(9) and 40-311(1) give the Idaho Transportation

ITB12-36 Board the authority to control access on the state highway system; and

WHEREAS, Idaho Code 40-312 gives the Board the authority to prescribe rules and regulations affecting state highways; and

WHEREAS, Administrative Rule IDAPA 39.03.42 Governs Access to State Highway Rights-of-Way; and

WHEREAS, an Access Management Committee was formed to review and suggest changes to IDAPA 39.03.42 to address identified deficiencies; and

WHEREAS, the Access Management Committee met numerous times between May 2011 and June 2012 and produced a revised version of IDAPA 39.03.42 incorporating changes suggested by the Committee; and

WHEREAS, the Board desires to have the revised version of IDAPA 39.03.42 adopted by the Idaho legislature as a temporary rule, effective October 1, 2012.

NOW THEREFORE BE IT RESOLVED, that the Board accepts the amended rule as temporary and proposed and directs staff to proceed with rule making.

129,000 Pound Trucks Pilot Project. HOE Laragan summarized the 129,000 pound pilot project authorized by the legislature in 2003. It was designed to test the use of 129,000 pound trucks on a limited number of state highways. ITD is to report to the legislature on impacts of the pilot project, including impacts to safety, bridges, and pavement on the designated routes every three years during the pilot project. The final report is due by January 30, 2013.

HOE Laragan said a small percentage of trucks are operating at the 129,000 pound limit, making it difficult to differentiate the 129,000 pound truck data from the non-participating trucks. Member Horsch believes operators were reluctant to invest in converting trucks to haul 129,000 pounds for a pilot project; however, if 129,000 pound weight limits become legal, more trucks would operate at that limit. HOE Laragan concurred and added that the rule does not allow increased axle weights and every axle must have a brake. Those requirements may have limited the number of participants in the pilot project, too.

Some discussion followed on Idaho's legal weights and when permits are required. It was noted that Congress has jurisdiction on the Interstate system and that Idaho's legal weights are lower than surrounding states' legal weights. Discussion also focused on the capability of the state's bridges to accommodate higher weight limits. CD Stokes said age is a big factor for bridges and the aging interstate bridges in particular, are a concern.

Chairman Whitehead thanked HOE Laragan for the informative presentation.

Six Year Capital Facilities Program. HOE Laragan said the overall goal of the Capital Facilities Program is to achieve a sustainable design that maintains and extends the useful life of the Department's buildings. The program allocations for alterations, repairs, and statewide preventive maintenance allow the Districts to modernize higher maintenance or inefficient facility components or make safety improvements. Major revisions to the FY14-FY19 program have been made in response to changes in program requirements, including an increase of \$1.1 million in FY14 for a total of \$3,960,000. The recommended FY14-19 Capital Facilities Program will be included in the proposed FY14 budget that will be submitted for approval next month.

Chairman Whitehead thanked HOE Laragan for the overview on the facilities program.

Executive Session on Personnel and Legal Issues. Member Vassar made a motion to meet in executive session at 12:35 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (d), and (f). Member Gagner seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 2:05 PM. No final actions or decisions were made.

End of FY12 Adjustments to the Federal-Aid Formula Highway

Program. Transportation Investments Manager (TIM) John Krause requested approval to modify the FY12 Federal-Aid Formula Highway Program based upon project readiness and available funds. A total of \$288 million of federal obligation authority plus matching funds is available in FY12. As of July 31, \$251.3 million had been committed. Projects totaling \$3.5 million are expected to delay or be removed from the program. Staff is requesting \$4.4 million for cost increases for FY12 projects and \$36.2 million to advance projects. TIM Krause summarized the program adjustments, anticipated project removals and delays, and list of additional project requests. He added that \$25.7 million will be requested through the Federal Highway Administration (FHWA) national redistribution of obligation authority.

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

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department

ITB12-37 to accomplish a current, realistic, and fiscally constrained Highway Transportation Investment Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and Moving Ahead for

Progress in the 21st Century (MAP-21) require that a priority list of projects covering a minimum four year period be provided in a federally approved Statewide Transportation Improvement Program (STIP); and

WHEREAS, \$288 million of federal obligation authority (plus matching funds) are available for obligation to projects in FY12; and

WHEREAS, as of July 31, 2012, there are \$251.3 million of commitments against these funds; and

WHEREAS, as of July 31, 2012, there is an estimated uncommitted balance of \$36.7 million; and

WHEREAS, projects anticipated for delay totaling \$3.5 million have been identified and will be removed from FY12 planning; and

WHEREAS, projects have been identified requiring cost increases to existing projects of \$4.4 million; and

WHEREAS, projects have been identified to advance to utilize available funds of \$32.4 million; and

WHEREAS, a prioritized list of projects has been identified that are ready should additional funding become available; and

WHEREAS, the result of these identified project delays, cost increases, and project advances will fully utilize the FY12 federal highway funding of \$288 million.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes staff to delay and remove projects in the list entitled "Anticipated Delays & Requested Removals" and advance projects in the list entitled "Projects for End of Year Funding Balance" and the list entitled "Projects for August Redistribution of Obligation Authority", as shown as Exhibit 417, which is made a part hereof with like effect, in priority order as projects are delivered and as funding becomes available; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the federally approved FY12-16 STIP in accordance with the provisions of SAFETEA-LU.

Monthly Financial Statements. TIM Krause reported that net cumulative obligations were \$282,100,000 as of July 31, of which \$263,800,000 had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$299,100,000. Net cumulative obligations are 7.2% higher than July's historical trend of \$263,100,000.

Controller Gordon Wilmoth said FHWA Indirect Cost Allocation revenue through June was \$31,037,000, which was below the projected amount of \$32,000,000. Revenue from the Equipment Buy Back Program was \$11,670,000, while the projection was \$11,715,000. Miscellaneous state funded revenue of \$33,871,000 was \$1,960,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$177,683,000. The projected revenue was \$178,400,000. Revenue from the ethanol exemption elimination was \$15,153,000, which was 5.3%

below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$1,548,000, or \$52,000 less than the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,765,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,570,000 of the \$9,200,000 available.

Idaho Moves Freight. JoAnn Wolters, Chief Executive Officer of Gem Air, LLC, provided an overview on the air service the Salmon company provides. She emphasized the important economic role of aviation.

Chairman Whitehead thanked Ms. Wolters for the overview on Gem Air, LLC.

Public Transportation Update. Jeff Osgood, District 6 Mobility Manager, reported on the public transportation services in the District, including the elimination of duplicate services and the establishment of other routes. Some of the challenges are to close the gaps in service and provide more transportation alternatives, particularly safe bicycle and pedestrian trails.

Chairman Whitehead thanked Mr. Osgood for the report and for his efforts on transportation alternatives.

Member Vassar left the meeting at this time.

Performance Measurement Report for the Division of Financial Management (DFM). CD Stokes presented the proposed Performance Measurement report, which is due to DFM and the Legislative Services Office by September 1. In addition to reporting on performance, the document provides an overview on ITD, including its revenue and expenditures, cases managed, and performance highlights.

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

RES. NO. WHEREAS, Idaho Code 67-1901 – 67-1904 requires that all state agencies must

ITB12-38 submit an annual Performance Measurement Report on or before September 1; and

WHEREAS, the Performance Measurement Report provides an agency overview; identifies core functions of the Department; outlines state fiscal year revenues and expenditures; supplies the number of cases managed and key services provided by the Department; summarizes the Department's key performance highlights and awards; and reports on the Department's performance measures and benchmarks; and

WHEREAS, in accordance with Idaho Code 67-1904, the Director certifies that the data provided in the Performance Measurement Report has been internally assessed for accuracy.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board has reviewed and found that the information in the report is acceptable and should be submitted in accordance with Idaho Code.

Proposed Change to 39.02.61, Rules Governing License Plates for Governmental Agencies and Taxing Districts. Christine Fisher, Internal Communication and Registration Specialist (ICRS), proposed revisions to IDAPA 39.02.61 to require exempt agencies requesting undercover license plates and registrations to utilize an application process similar to exempt plates and registrations. Currently, there is no formal process for undercover license plates and registrations, resulting in an inconsistent method of handling them. The change will also ensure that ITD recovers its administrative costs for this program.

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

RES. NO. WHEREAS, the Idaho Transportation Board has the authority to approve
ITB12-39 requested changes to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule will provide the ability to add license plates assigned as undercover to exempt law enforcement agencies and provide accountability.

NOW THEREFORE BE IT RESOLVED, that the Board approves the recommended changes to administrative rule:

IDAPA 39.02.61, Rule Governing License Plates for Governmental Agencies and Taxing Districts, which

- Requires exempt agencies requesting undercover license plates and registrations to go through a similar application process as exempt agencies requesting exempt plates and registrations;
- Formalizes a process that prior to this rule being amended was non-existent and handled in a variety of ways; and
- Recovers the administrative costs for issuing and tracking undercover license plates; and

BE IT FURTHER RESOLVED, that the Board directs staff to proceed with regular rule making for the changes proposed to this administrative rule.

Proposed Changes to IDAPA 39.02.71, Rules Governing Driver's License Violation Point Count System. Ed Pemble, Driver Services Manager (DSM), requested changes to IDAPA 39.02.71. Senate Bill 1274, enacted on July 1, 2012, prohibits texting while

operating a motor vehicle, but specifies that no points are to be assigned for this violation. IDAPA 31.02.71 requires that “convictions of moving violations and infractions not herein listed which are violations of a state law or municipal ordinance will receive three (3) violation points, except those for which mandatory suspension/revocation is required by statute.” DSM Pemble proposed revisions to the rule to accommodate the points exemption provided in statute and to update the list of Idaho convictions to provide a complete list of all moving violations subject to points.

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

RES. NO. WHEREAS, IDAPA 39.02.71 provides the system for assigning points to driver

ITB12-40 records based on convictions of various traffic violations and infractions occurring within the state of Idaho or outside the state of Idaho; and

WHEREAS, Senate Bill 1274 was passed by the 2012 Idaho legislature and enacted on July 1, 2012 prohibiting texting while operating a motor vehicle; and

WHEREAS, Senate Bill 1274 provided an exemption from points; and

WHEREAS, IDAPA 39.02.71 should be revised to accommodate the points exemption provided in statute; and

WHEREAS, IDAPA 39.02.71 should include a complete list of all Idaho moving violations subject to points.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board endorses the proposed revisions to IDAPA 39.02.71 and directs staff to proceed with regular rulemaking and presentation of the proposed changes to the 2013 Legislature.

Presentation of Legislative Idea – Transfer of Vehicle Registrations to ITD. Idaho Department of Parks and Recreation (IDPR) Director Nancy Merrill said ITD’s Division of Motor Vehicles’ (DMV) modernization effort will transition to a one person – one record system. This will require collection of driver’s license, social security number, and/or tax identification numbers. Currently, IDPR’s registration system is not designed to collect this information. The two departments will not be able to share information after ITD’s new registration system is implemented in January 2014.

Because changing IDPR’s system to communicate with ITD’s new system is cost prohibitive, IDPR Director Merrill proposed consolidating IDPR’s registrations to ITD. She provided a legislative proposal, whereby ITD would assume responsibility for registering IDPR vehicles and vessels, such as all-terrain vehicles, snowmobiles, and boats. DMV has the basic infrastructure in place to process these registrations. She said there should be no impact to the overall DMV modernization schedule and IDPR will compensate ITD for programming costs.

Chairman Whitehead thanked IDPR Director Merrill for the recommendation to consolidate registration services. He expressed support to continue pursuing this proposal.

Division of Aeronautics’ Budget Overview and Revenue Proposals. Aeronautics Administrator (AA) John DeThomas expressed concern with the division’s revenue, particularly to provide financial assistance to public airports and for the search and

rescue program. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen said the AAB held a workshop earlier this week to discuss revenue enhancement proposals. The AAB recommends increasing the aviation fuel tax by two cents, which would provide approximately \$475,000 in additional revenue, and increase the aircraft registration fee from one cent per pound to three cents per pound for approximately \$167,000 in additional revenue. He added that the AAB is also considering establishing a \$10 overnight parking fee at the states' airports; however, that proposal would not require legislative approval.

Chairman Whitehead thanked AAB Chairman Sorensen for his leadership on aviation issues. Member DeLorenzo said she attended the AAB workshop on August 14. She expressed appreciation for AA DeThomas's and the AAB's efforts to address the revenue concerns.

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

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies

ITB12-41 submit legislative ideas to the Division of Financial Management (DFM) for review and approval; and

WHEREAS, the Idaho Transportation Board has requested that staff prepare and submit legislative ideas that will serve to advise the Governor and DFM of agency issues with legislative solutions.

NOW THEREFORE BE IT RESOLVED, that the Board approves submittal of the proposed legislative IDEAS for aviation fuel tax increase and aircraft registration increase to DFM, and, upon approval, the

development by ITD staff of draft legislation for subsequent review and approval.

Draft Legislation. Government Affairs Manager (GAM) Mollie McCarty and AA DeThomas summarized the draft legislation prepared for the seven ideas approved by the Board last month. The legislation was presented for review at this time and will be submitted for approval next month.

Although the Board did not approve including the airport land use planning proposal in ITD's legislative idea package, some discussion was held on efforts underway to address opponents' concerns with that proposal. The consensus of the Board was to focus on additional revenue for the Division of Aeronautics during the 2013 session and to work collaboratively with interested stakeholders on the land-use planning proposal for the 2014 session.

Member Gagner noted the staggered registration proposal has a negative fiscal impact of approximately \$60,000. He expressed concern with the loss of revenue. He asked if changing to a staggered registration system will be more efficient and eliminate a full-time position, recouping some of the lost revenue. ICRS Fisher replied that productivity and customer service will presumably increase; however, she does not believe switching to a staggered system will result in the elimination of a position. Vice Chairman Coleman suggested that overtime may decrease. Although he does not believe the staggered registration system will result in personnel savings of \$60,000, he believes it is the right thing to do for ITD's customers. Now, some registrants pay registration fees for a full year but only register their vehicle for part of the year.

Member Kempton noted the fiscal impact does not reflect the unnecessary cost to customers if the legislation fails and individuals only register vehicles for a partial year. GAM McCarty said she will look into including the fiscal impact to customers.

Chairman Whitehead thanked GAM McCarty and AA DeThomas for summarizing the proposed legislation.

District 6 Report. DE6 Rindlisbacher provided an overview on District 6. The 165 employees are responsible for 2,300 lane miles and 352 bridges in nine counties. Some of its focus areas have been on improving work zone signing, reducing contract time, closing out projects in a timely manner, and disposing of unneeded surplus property. The District delivered 11 of its 13 projects on time; reduced change orders to 1.5%, which exceeded the goal of 5%; and achieved a pavement deficiency rate of 8%, which also exceeded the goal. A concerted effort is underway to inspect one-third of the District's guardrail, fences, and culverts annually to better maintain and operate the system.

In closing, DE6 Rindlisbacher highlighted some accomplishments. Through a partnership with the City of Driggs, SH-33 was improved in the city. An effort to identify and plan for transportation system alternatives in the greater Idaho Falls area was completed. The construction of the US-20, Menan-Lorenzo interchange will improve safety and economic opportunities, and the Allison Creek realignment project was a successful maintenance and operations initiative.

Chairman Whitehead thanked DE6 Rindlisbacher for the report, the District's hospitality, and the extra efforts undertaken to conduct the meeting in Salmon. He noted the importance of visiting all parts of the state.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 5:10 PM.

signed

JERRY WHITEHEAD, Chairman

Idaho Transportation Board

Read and Approved

September 20, 2012

Shoshone, Idaho

DISTRICT 6 TOUR AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

August 15-16, 2012

The Idaho Transportation Board met at 10:00 AM, on Wednesday, August 15, 2012, in Challis, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Jan Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 6 Tour. The Board traveled US-93 and SH-75 south. It toured the Thompson Creek Mine and learned about the economic impacts of Custer County's largest employer. The City of Challis, Access Bus, and Thompson Creek Mine established a shuttle service earlier this year to transport workers to the facility. From May 2 through July 31, it provided 4,981 rides.

The Board traveled SH-75 and US-93 north to Salmon.

WHEREUPON the tour recessed at 5:30 PM.

August 16, 2012

The Board reconvened at 8:00 AM on Thursday, August 16, 2012, at the Sacajawea Center in Salmon, Idaho. All members were present. Larry Allen, Deputy Attorney General (DAG), was also present.

Highway Safety Workshop. Highway Safety Manager (HSM) Brent Jennings said research to develop media messages and outreach tools to improve highway safety were conducted recently. He believes it is critical to encourage and support a culture of traffic safety.

Jay Otto, Director of the Center for Health and Safety Culture at the Western Transportation Institute of Montana State University, presented the Positive Community Norms framework that is guiding the effort to improve ITD's highway safety messages with a focus on impaired driving. The intent is to encourage and support a culture of traffic safety through engaging community leaders, creating effective communication campaigns, and strategically allocating and integrating prevention resources. A two-year pilot project to reduce impaired driving through messages that engage bystanders will commence this fall in Blackfoot, Lewiston, and Twin Falls.

Chief Deputy Stokes acknowledged the numerous partnerships that have been established throughout the state to work towards zero deaths. He recognized the Idaho Traffic Safety Commission for its extensive efforts to eliminate highway fatalities and injuries.

Chairman Whitehead thanked Mr. Otto for the Positive Community Norms presentation. He believes it is a valuable program and expressed support for this approach.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on July 18-19, 2012 as submitted and the minutes of the special Board meeting held on August 3, 2012 as submitted. Member Horsch seconded the motion and it passed unopposed.

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

September 19-20, 2012 – District 4

October 17-18, 2012 – Boise

November 13-14, 2012 – Boise

Consent Calendar. Member Gagner made a motion, seconded by Member Vassar, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-34 approves the FY12 account write off and has received and reviewed the annual return check report for FY12, the summary of FY12 budgeted vs. actual out-of-state travel, the contract award information, the professional services agreements and term agreement work task report, and July 2012 speed minute entry changes.

1) FY12 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 a designee reviews and approves for write off all accounts less than \$1,000. For FY12, staff requests Board approval to write off 23 accounts totaling \$94,859.44, as shown as Exhibit 416, which is made a part hereof with like effect. Seventy accounts in amounts less than \$1,000 have been determined as uncollectible, totaling \$22,742.19. The outstanding receivables are more than three years delinquent. Customers are not allowed to do business with ITD until their deficiencies are paid or the statute of limitations is reached.

2) Return Check Report for FY12. During FY12, \$37,876,440 in checks were received, while 102 checks, or .47%, totaling \$179,131 were returned. Collection of returned checks equaled \$194,952 for an annual collection rate of 108.83%.

3) Summary of FY12 Actual vs. Budgeted Out-of-State Travel. In FY12, out-of-state travel expenditures totaled \$187,847. The budgeted amount was \$251,300. In comparison, \$153,246 was spent on out-of-state travel in FY11. In FY12, \$1,065,358 was expended on in-state travel, compared to \$1,069,568 in FY11.

4) Contract Awards. Key #13368 – I-84, 850 West Road Underpass Bridge Repair, District 4. Low bidder: Cannon Builders, Inc. – \$142,269.

Key #11064 – I-84 and SH-81, FY13 District 4 Districtwide Sealcoats. Low bidder: Kloepfer, Inc. - \$2,533,776.

5) Professional Services Agreements and Term Agreement Work Task Report. From June 29 through July 27, 24 new professional services agreements and work tasks were processed, totaling \$3,415,600. Six supplemental agreements to existing agreements were processed in the amount of \$217,900 during this period.

6) Speed Minute Entry Changes for July 2012. The following speed minute entry changes were made in July in Districts 3 and 4:

<u>Route</u>	<u>Beginning</u>	<u>Ending</u>	<u>Speed Limit</u>	
	<u>Milepost</u>	<u>Milepost</u>	<u>Old</u>	<u>New</u>
SH-44	2.858	3.164	35	40

SH-44	3.164	3.364	25	35
SH-44	4.290	4.440	45	35
US-30	203.350	203.800	60	45

Director's Report. Director Ness reported on various activities and meetings from the past month, including a workshop on impaired driving, a leadership summit, and the completion of freight study meetings in each District. Idaho was one of ten states to achieve a gold level designation from Donate Life America. Some staff members are in New York to initiate the ratings for the October GARVEE bond sale, estimated between \$35 and \$40 million.

Director Ness said ITD had been leasing office space near the ITD Headquarters campus for a number of years. Employees have been relocated to buildings on the Headquarters campus. Vacating the leased offices will save approximately \$145,000 annually.

District 5 has been contacted by a number of entities requesting more information on its winter maintenance measures since its presentation at the Western Association of State Highway and Transportation Officials conference last month. Director Ness commended the various employees for their continued efforts to make ITD the best transportation department in the country.

Adopt-A-Highway Presentation (AAH). Member Gagner recognized Wal-Mart #1878 for its participation in the AAH Program. The Rexburg group has been picking up litter since 2003. It adopted the stretch of US-20 from milepost 331.9 to 333.4.

Highway Safety Report and Highway Safety Performance Plan FY13. HSM Jennings said the goal of the Highway Safety Program is to eliminate deaths, serious injuries, and economic losses resulting from traffic crashes by implementing programs to address driver behaviors. In 2011, there were 167 fatalities and 10,866 injuries as a result of traffic crashes in Idaho. The state's fatality rate of 1.08 is lower than the national rate of 1.09 fatalities per 100 million annual vehicle miles traveled.

HSM Jennings presented the FY13 Highway Safety Performance Plan. It is prepared annually in accordance with federal requirements to identify and address Idaho's most critical behavior-related highway safety problems. Federal grant funding for state and local activities is estimated at \$7.2 million for FY13. Some of the focus areas are impaired drivers, aggressive driving, youthful drivers, and safety restraints. The Plan was approved by the Idaho Traffic Safety Commission at its June meeting.

Member DeLorenzo recommended making grammatical, non-substantive revisions to the Plan. The Board concurred.

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

RES. NO. WHEREAS, Idaho experienced 20,833 reportable traffic crashes, 167 traffic

ITB12-35 deaths, and 10,866 people injured in 2011; and

WHEREAS, the economic cost of traffic crashes in Idaho for 2011 was just over \$2.1 billion; and

WHEREAS, Idaho's fatality rate for 2011 was 1.08 fatalities per 100 million annual vehicle miles traveled, which is lower than the estimated national rate of 1.09 fatalities per 100 million annual vehicle miles traveled; and

WHEREAS, the Idaho Transportation Department's goal is to have zero traffic deaths; and

WHEREAS, the National Highway Traffic Safety Administration (NHTSA) may allocate about \$6.2 million in funding behavior safety programs for Idaho to reduce traffic deaths and serious injuries; and

WHEREAS, the Federal Highway Administration may allocate about \$1 million from the Highway Safety Improvement Program for behavior type projects; and

WHEREAS, the Idaho Traffic Safety Commission and the Office of Highway Safety have developed the Highway Safety Performance Plan for Federal Fiscal Year 2013 to work towards the elimination of Idaho traffic deaths, serious injuries, and economic losses; and

WHEREAS, the Highway Safety Performance Plan is required by NHTSA in order to receive funding from NHTSA.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board adopts the Highway Safety Performance Plan for Federal Fiscal Year 2013, which is on file in the Office of Highway Safety.

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Vice Chairman Coleman acknowledged HOE Laragan, District Engineer (DE) 6 Blake Rindlisbacher, and DAG Chris Kronberg for their efforts on access management and the rule revisions. Chairman Whitehead also recognized Vice Chairman Coleman's leadership on the Access Management Committee.

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

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WHEREAS, the Access Management Committee met numerous times between May 2011 and June 2012 and produced a revised version of IDAPA 39.03.42 incorporating changes suggested by the Committee; and

WHEREAS, the Board desires to have the revised version of IDAPA 39.03.42 adopted by the Idaho legislature as a temporary rule, effective October 1, 2012.

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Some discussion followed on Idaho's legal weights and when permits are required. It was noted that Congress has jurisdiction on the Interstate system and that Idaho's legal weights are lower than surrounding states' legal weights. Discussion also focused on the capability of the state's bridges to accommodate higher weight limits. CD Stokes said age is a big factor for bridges and the aging interstate bridges in particular, are a concern.

Chairman Whitehead thanked HOE Laragan for the informative presentation.

Six Year Capital Facilities Program. HOE Laragan said the overall goal of the Capital Facilities Program is to achieve a sustainable design that maintains and extends the useful life of the Department's buildings. The program allocations for alterations, repairs, and statewide preventive maintenance allow the Districts to modernize higher maintenance or inefficient facility components or make safety improvements. Major revisions to the FY14-FY19 program have been made in response to changes in program requirements, including an increase of \$1.1 million in FY14 for a total of \$3,960,000. The recommended FY14-19 Capital Facilities Program will be included in the proposed FY14 budget that will be submitted for approval next month.

Chairman Whitehead thanked HOE Laragan for the overview on the facilities program.

Executive Session on Personnel and Legal Issues. Member Vassar made a motion to meet in executive session at 12:35 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (d), and (f). Member Gagner seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 2:05 PM. No final actions or decisions were made.

End of FY12 Adjustments to the Federal-Aid Formula Highway

Program. Transportation Investments Manager (TIM) John Krause requested approval to modify the FY12 Federal-Aid Formula Highway Program based upon project readiness and available funds. A total of \$288 million of federal obligation authority plus matching funds is available in FY12. As of July 31, \$251.3 million had been committed. Projects totaling \$3.5 million are expected to delay or be removed from the program. Staff is requesting \$4.4 million for cost increases for FY12 projects and \$36.2 million to advance projects. TIM Krause summarized the program adjustments, anticipated project removals and delays, and list of additional project requests. He added that \$25.7 million will be requested through the Federal Highway Administration (FHWA) national redistribution of obligation authority.

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

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department

ITB12-37 to accomplish a current, realistic, and fiscally constrained Highway Transportation Investment Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and Moving Ahead for

Progress in the 21st Century (MAP-21) require that a priority list of projects covering a minimum four year period be provided in a federally approved Statewide Transportation Improvement Program (STIP); and

WHEREAS, \$288 million of federal obligation authority (plus matching funds) are available for obligation to projects in FY12; and

WHEREAS, as of July 31, 2012, there are \$251.3 million of commitments against these funds; and

WHEREAS, as of July 31, 2012, there is an estimated uncommitted balance of \$36.7 million; and

WHEREAS, projects anticipated for delay totaling \$3.5 million have been identified and will be removed from FY12 planning; and

WHEREAS, projects have been identified requiring cost increases to existing projects of \$4.4 million; and

WHEREAS, projects have been identified to advance to utilize available funds of \$32.4 million; and

WHEREAS, a prioritized list of projects has been identified that are ready should additional funding become available; and

WHEREAS, the result of these identified project delays, cost increases, and project advances will fully utilize the FY12 federal highway funding of \$288 million.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes staff to delay and remove projects in the list entitled "Anticipated Delays & Requested Removals" and advance projects in the list entitled "Projects for End of Year Funding Balance" and the list entitled "Projects for August Redistribution of Obligation Authority", as shown as Exhibit 417, which is made a part hereof with like effect, in priority order as projects are delivered and as funding becomes available; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the federally approved FY12-16 STIP in accordance with the provisions of SAFETEA-LU.

Monthly Financial Statements. TIM Krause reported that net cumulative obligations were \$282,100,000 as of July 31, of which \$263,800,000 had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$299,100,000. Net cumulative obligations are 7.2% higher than July's historical trend of \$263,100,000.

Controller Gordon Wilmoth said FHWA Indirect Cost Allocation revenue through June was \$31,037,000, which was below the projected amount of \$32,000,000. Revenue from the Equipment Buy Back Program was \$11,670,000, while the projection was \$11,715,000. Miscellaneous state funded revenue of \$33,871,000 was \$1,960,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$177,683,000. The projected revenue was \$178,400,000. Revenue from the ethanol exemption elimination was \$15,153,000, which was 5.3%

below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$1,548,000, or \$52,000 less than the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,765,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,570,000 of the \$9,200,000 available.

Idaho Moves Freight. JoAnn Wolters, Chief Executive Officer of Gem Air, LLC, provided an overview on the air service the Salmon company provides. She emphasized the important economic role of aviation.

Chairman Whitehead thanked Ms. Wolters for the overview on Gem Air, LLC.

Public Transportation Update. Jeff Osgood, District 6 Mobility Manager, reported on the public transportation services in the District, including the elimination of duplicate services and the establishment of other routes. Some of the challenges are to close the gaps in service and provide more transportation alternatives, particularly safe bicycle and pedestrian trails.

Chairman Whitehead thanked Mr. Osgood for the report and for his efforts on transportation alternatives.

Member Vassar left the meeting at this time.

Performance Measurement Report for the Division of Financial Management (DFM). CD Stokes presented the proposed Performance Measurement report, which is due to DFM and the Legislative Services Office by September 1. In addition to reporting on performance, the document provides an overview on ITD, including its revenue and expenditures, cases managed, and performance highlights.

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

RES. NO. WHEREAS, Idaho Code 67-1901 – 67-1904 requires that all state agencies must

ITB12-38 submit an annual Performance Measurement Report on or before September 1; and

WHEREAS, the Performance Measurement Report provides an agency overview; identifies core functions of the Department; outlines state fiscal year revenues and expenditures; supplies the number of cases managed and key services provided by the Department; summarizes the Department's key performance highlights and awards; and reports on the Department's performance measures and benchmarks; and

WHEREAS, in accordance with Idaho Code 67-1904, the Director certifies that the data provided in the Performance Measurement Report has been internally assessed for accuracy.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board has reviewed and found that the information in the report is acceptable and should be submitted in accordance with Idaho Code.

Proposed Change to 39.02.61, Rules Governing License Plates for Governmental Agencies and Taxing Districts. Christine Fisher, Internal Communication and Registration Specialist (ICRS), proposed revisions to IDAPA 39.02.61 to require exempt agencies requesting undercover license plates and registrations to utilize an application process similar to exempt plates and registrations. Currently, there is no formal process for undercover license plates and registrations, resulting in an inconsistent method of handling them. The change will also ensure that ITD recovers its administrative costs for this program.

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

RES. NO. WHEREAS, the Idaho Transportation Board has the authority to approve
ITB12-39 requested changes to administrative rules; and

WHEREAS, the Board finds the requested changes to the administrative rule will provide the ability to add license plates assigned as undercover to exempt law enforcement agencies and provide accountability.

NOW THEREFORE BE IT RESOLVED, that the Board approves the recommended changes to administrative rule:

IDAPA 39.02.61, Rule Governing License Plates for Governmental Agencies and Taxing Districts, which

- Requires exempt agencies requesting undercover license plates and registrations to go through a similar application process as exempt agencies requesting exempt plates and registrations;
- Formalizes a process that prior to this rule being amended was non-existent and handled in a variety of ways; and
- Recovers the administrative costs for issuing and tracking undercover license plates; and

BE IT FURTHER RESOLVED, that the Board directs staff to proceed with regular rule making for the changes proposed to this administrative rule.

Proposed Changes to IDAPA 39.02.71, Rules Governing Driver's License Violation Point Count System. Ed Pemble, Driver Services Manager (DSM), requested changes to IDAPA 39.02.71. Senate Bill 1274, enacted on July 1, 2012, prohibits texting while

operating a motor vehicle, but specifies that no points are to be assigned for this violation. IDAPA 31.02.71 requires that “convictions of moving violations and infractions not herein listed which are violations of a state law or municipal ordinance will receive three (3) violation points, except those for which mandatory suspension/revocation is required by statute.” DSM Pemble proposed revisions to the rule to accommodate the points exemption provided in statute and to update the list of Idaho convictions to provide a complete list of all moving violations subject to points.

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

RES. NO. WHEREAS, IDAPA 39.02.71 provides the system for assigning points to driver

ITB12-40 records based on convictions of various traffic violations and infractions occurring within the state of Idaho or outside the state of Idaho; and

WHEREAS, Senate Bill 1274 was passed by the 2012 Idaho legislature and enacted on July 1, 2012 prohibiting texting while operating a motor vehicle; and

WHEREAS, Senate Bill 1274 provided an exemption from points; and

WHEREAS, IDAPA 39.02.71 should be revised to accommodate the points exemption provided in statute; and

WHEREAS, IDAPA 39.02.71 should include a complete list of all Idaho moving violations subject to points.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board endorses the proposed revisions to IDAPA 39.02.71 and directs staff to proceed with regular rulemaking and presentation of the proposed changes to the 2013 Legislature.

Presentation of Legislative Idea – Transfer of Vehicle Registrations to ITD. Idaho Department of Parks and Recreation (IDPR) Director Nancy Merrill said ITD's Division of Motor Vehicles' (DMV) modernization effort will transition to a one person – one record system. This will require collection of driver's license, social security number, and/or tax identification numbers. Currently, IDPR's registration system is not designed to collect this information. The two departments will not be able to share information after ITD's new registration system is implemented in January 2014.

Because changing IDPR's system to communicate with ITD's new system is cost prohibitive, IDPR Director Merrill proposed consolidating IDPR's registrations to ITD. She provided a legislative proposal, whereby ITD would assume responsibility for registering IDPR vehicles and vessels, such as all-terrain vehicles, snowmobiles, and boats. DMV has the basic infrastructure in place to process these registrations. She said there should be no impact to the overall DMV modernization schedule and IDPR will compensate ITD for programming costs.

Chairman Whitehead thanked IDPR Director Merrill for the recommendation to consolidate registration services. He expressed support to continue pursuing this proposal.

Division of Aeronautics' Budget Overview and Revenue Proposals. Aeronautics Administrator (AA) John DeThomas expressed concern with the division's revenue, particularly to provide financial assistance to public airports and for the search and

rescue program. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen said the AAB held a workshop earlier this week to discuss revenue enhancement proposals. The AAB recommends increasing the aviation fuel tax by two cents, which would provide approximately \$475,000 in additional revenue, and increase the aircraft registration fee from one cent per pound to three cents per pound for approximately \$167,000 in additional revenue. He added that the AAB is also considering establishing a \$10 overnight parking fee at the states' airports; however, that proposal would not require legislative approval.

Chairman Whitehead thanked AAB Chairman Sorensen for his leadership on aviation issues. Member DeLorenzo said she attended the AAB workshop on August 14. She expressed appreciation for AA DeThomas's and the AAB's efforts to address the revenue concerns.

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

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies

ITB12-41 submit legislative ideas to the Division of Financial Management (DFM) for review and approval; and

WHEREAS, the Idaho Transportation Board has requested that staff prepare and submit legislative ideas that will serve to advise the Governor and DFM of agency issues with legislative solutions.

NOW THEREFORE BE IT RESOLVED, that the Board approves submittal of the proposed legislative IDEAS for aviation fuel tax increase and aircraft registration increase to DFM, and, upon approval, the

development by ITD staff of draft legislation for subsequent review and approval.

Draft Legislation. Government Affairs Manager (GAM) Mollie McCarty and AA DeThomas summarized the draft legislation prepared for the seven ideas approved by the Board last month. The legislation was presented for review at this time and will be submitted for approval next month.

Although the Board did not approve including the airport land use planning proposal in ITD's legislative idea package, some discussion was held on efforts underway to address opponents' concerns with that proposal. The consensus of the Board was to focus on additional revenue for the Division of Aeronautics during the 2013 session and to work collaboratively with interested stakeholders on the land-use planning proposal for the 2014 session.

Member Gagner noted the staggered registration proposal has a negative fiscal impact of approximately \$60,000. He expressed concern with the loss of revenue. He asked if changing to a staggered registration system will be more efficient and eliminate a full-time position, recouping some of the lost revenue. ICRS Fisher replied that productivity and customer service will presumably increase; however, she does not believe switching to a staggered system will result in the elimination of a position. Vice Chairman Coleman suggested that overtime may decrease. Although he does not believe the staggered registration system will result in personnel savings of \$60,000, he believes it is the right thing to do for ITD's customers. Now, some registrants pay registration fees for a full year but only register their vehicle for part of the year.

Member Kempton noted the fiscal impact does not reflect the unnecessary cost to customers if the legislation fails and individuals only register vehicles for a partial year. GAM McCarty said she will look into including the fiscal impact to customers.

Chairman Whitehead thanked GAM McCarty and AA DeThomas for summarizing the proposed legislation.

District 6 Report. DE6 Rindlisbacher provided an overview on District 6. The 165 employees are responsible for 2,300 lane miles and 352 bridges in nine counties. Some of its focus areas have been on improving work zone signing, reducing contract time, closing out projects in a timely manner, and disposing of unneeded surplus property. The District delivered 11 of its 13 projects on time; reduced change orders to 1.5%, which exceeded the goal of 5%; and achieved a pavement deficiency rate of 8%, which also exceeded the goal. A concerted effort is underway to inspect one-third of the District's guardrail, fences, and culverts annually to better maintain and operate the system.

In closing, DE6 Rindlisbacher highlighted some accomplishments. Through a partnership with the City of Driggs, SH-33 was improved in the city. An effort to identify and plan for transportation system alternatives in the greater Idaho Falls area was completed. The construction of the US-20, Menan-Lorenzo interchange will improve safety and economic opportunities, and the Allison Creek realignment project was a successful maintenance and operations initiative.

Chairman Whitehead thanked DE6 Rindlisbacher for the report, the District's hospitality, and the extra efforts undertaken to conduct the meeting in Salmon. He noted the importance of visiting all parts of the state.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 5:10 PM.

signed

JERRY WHITEHEAD, Chairman

Idaho Transportation Board

Read and Approved

September 20, 2012

Shoshone, Idaho

DISTRICT 1 TOUR AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

July 18-19, 2012

The Idaho Transportation Board met at 8:00 AM, on Wednesday, July 18, 2012, in Coeur d'Alene, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 1 Tour. The Board met with the Coeur d'Alene Chamber of Commerce and area businesses to discuss the importance of a good transportation system to the economy. It traveled I-90 west to the construction site of the I-90, Beck Road Interchange in Post Falls. The tour continued north on SH-41 and local roads to the Coeur d'Alene Airport.

Coeur d'Alene Airport Manager Greg Delavan reported on activities at the airport. The master plan was recently updated. A grant was received to make improvements to the runway and taxiway. A study is underway to consider connecting Ramsey Road. The road, often used as an alternate to US-95, is dissected by the airport. Manager Delevan expressed support for airport land use planning efforts. In closing, he commended Aeronautics Administrator (AA) John DeThomas, his staff, and the Aeronautics Advisory Board (AAB) for their assistance and efforts to address the state's aviation issues.

The Board traveled US-95 north of Coeur d'Alene. It viewed several GARVEE projects under construction before returning to Coeur d'Alene via US-95 south.

WHEREUPON the tour recessed at 3:20 PM.

July 19, 2012

The Board reconvened at 8:00 AM on Thursday, July 19, 2012, at the Idaho Transportation Department, District 1 Office, in Coeur d'Alene, Idaho. All members were present except Members Jan Vassar and Dwight Horsch; however, Member Vassar participated in the morning session via teleconference.

Board Minutes. Member Gagner made a motion to approve the minutes of the regular Board meeting held on June 13-15, 2012 as submitted. Member DeLorenzo seconded the motion and it passed unopposed.

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

August 15-16, 2012 – District 6

September 19-20, 2012 – District 4

October 17-18, 2012 – Boise

Consent Calendar. Vice Chairman Coleman made a motion, seconded by Member DeLorenzo, and passed unopposed, to approve the following resolution:

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

ITB12-23 approves the addition of the Local Highway Technical Assistance Council Pre-Project Planning to FY12 of the Local Rural Program, and has received and reviewed the FY12 annual report of activities to the Board of Examiners, the contract award information, the professional services agreements and term agreement work task report, the administrative and legal settlements of right-of-way acquisitions, and the annual report on expenditures from the State Railroad Grade Crossing Protection Fund.

1) Add Local Highway Technical Assistance Council (LHTAC) Pre-Project Planning to FY12 Local Rural Program. Staff initiated a pre-project planning and project charter process to help ensure that the scope of projects is maintained throughout the development and construction of projects. This tool will help provide on-time and on-budget delivery of construction projects. LHTAC is partnering with ITD to integrate pre-design and pre-National Environmental Protection Act data gathering activities, implement ITD's vision of employing project management principles, and provide evaluation phase project charters on all potential projects being requested for inclusion in the Idaho Transportation Investment Program (ITIP). LHTAC is requesting \$50,000 for the LHTAC Pre-Project Planning project in FY12 of the Surface Transportation Program – Local Rural Program. Funding for this new project will be from savings on the Local Asset Management project, key #9267.

2) FY12 Annual Report of Activities to the Board of Examiners. ITD did not submit any items to the Board of Examiners during FY12.

3) Contract Awards. Key #8772 – Deep Creek Bridge, #4, Boundary County, District 1. Low bidder: C. E. Kramer Crane and Contracting, Inc. – \$636,661.

Key #12917 – SH-16, Phyllis Canal Bridge and South Stage, District 3. Low bidder: Concrete Placing Company, Inc. - \$10,780,153.

The low bid on key #11238 – Johnson Creek Airport Bridge, Valley County, District 3, was more than ten percent over the engineer’s estimate, requiring justification. The Engineer’s Estimate was based on the Average Unit Price Report. There were a few items in the contractor’s bid that were significantly higher than the Engineer’s Estimate; however, staff believes the remote location and relatively small size of the project were the main reasons the low bid exceeded the engineer’s estimate. The bridge is posted and currently restricts access to heavier vehicles. Staff does not believe re-advertising the project would result in significant savings, so recommended awarding the project. Low bidder: Granite Excavation, Inc. - \$764,670.

Key #8670 – SH-55, North Fork Payette River Bridge, Cascade, District 3. Low bidder: Wadsworth Brothers Construction Company, Inc. - \$4,830,581.

Key #11607– SH-24, Minidoka County Line to Sids Road, Lincoln County, District 4. Low bidder: Western Construction, Inc. - \$3,180,511.

Key #8145 – East Airport Road; North Airport to Highland Drive, Blackfoot, District 5. Low bidder: Gale Lim Construction LLC - \$779,998.

4) Professional Services Agreements and Term Agreement Work Task Report. From May 25 through June 28, \$2,301,212 in new professional services agreements and work tasks were processed. Fifteen supplemental agreements to existing agreements were issued during this period in the amount of \$720,231.

5) Administrative and Legal Settlements of Right of Way Acquisitions. From January 1 through June 27, 2012, the Right of Way Section processed 60 parcels. There were 22 administrative settlements and 8 legal settlements during this time frame.

6) Annual Report on Expenditures from the State Railroad Grade Crossing Protection Fund. As of June, approximately \$1.3 million, excluding unspent obligated funds for programmed projects, were available in the State Railroad Grade Crossing Protection Fund. Twenty-four projects are programmed for state fiscal year 2012 through 2016

for over \$1.2 million. During calendar year 2011, there were 10 vehicle-train collisions at public rail-highway crossings, resulting in 1 fatality, 1 injury, and 8 property damage incidents.

Director's Report. Director Ness reported on various activities and meetings from the past month, including the dedication of the US-95, Sandpoint Byway project and the annual Western Association of State Highway and Transportation Officials conference. The conference agenda included a presentation from District 5 staff on its winter maintenance measures.

The federal transportation reauthorization bill, Moving Ahead for Progress in the 21st Century, or MAP-21, has been signed into law. Although staff is still reviewing the bill, some of the highlights include Idaho's funding level for highways is basically the same as it was under the previous bill while transit funds increased, the environmental review process will be expedited, the number of programs has been reduced to five, and performance measures will need to be developed.

The Executive Team provided an update on the Strategic Plan. A number of activities have been identified to pursue to promote safety, mobility, and economic opportunity. The process includes extensive outreach with external partners and stakeholders.

Delegation – Jeremy Pisca, Representing the M3 Companies. Mr. Pisca acknowledged the state's transportation funding shortfall and that highways are vital to the economy. He summarized the Transportation and Economic Development Zone (TEDZ) legislation proposed in 2012. The innovative funding mechanism for transportation projects combines the federal Transportation Infrastructure Financing and Innovations Act, which is a federal loan, and TEDZ. TEDZ involves identifying boundaries and diverting a portion of the estimated sales taxes collected within that zone to a specific project fund. The fund is continuously appropriated for the purpose of paying the debt service of the highway project.

Mr. Pisca said the proposal requires ITD and the Department of Commerce to work cooperatively to select a state highway project to fund via this mechanism and also to approve the boundaries. Additionally, a majority of local jurisdictions within the identified boundary must approve formation of the zone. ITD retains control over the highway projects. He believes TEDZ would benefit transportation and the economy. He acknowledged additional work needs to be done on the proposed legislation and requested ITD staff assistance.

In response to Member Gagner's question on who would own the debt, Mr. Pisca replied the state, not ITD, would be responsible for the debt through a continuously-

appropriated account derived from the state sales tax. Discussion followed on the merits of the proposal. The Board expressed support to pursue the TEDZ legislation. It would like more information on the concept, and stressed that the proposal needs to be applicable statewide.

Chairman Whitehead thanked Mr. Pisca for the presentation and said the Board will revisit the draft TEDZ legislation.

Delegation – City of Post Falls. Post Falls Mayor Clay Larkin thanked the Board for its time. He also recognized Vice Chairman Coleman and District 1 Engineer (DE) Damon Allen and his staff for their assistance and support. He expressed appreciation for the I-90, Beck Road Interchange. Mayor Larkin commented on the importance of public transportation. Some services have been reduced and ridership has decreased. Establishing a regional public transportation authority is being explored.

Mayor Larkin said efforts have been underway for some time to construct another north-south connection, as I-90 divides Post Falls. Insufficient access is a public safety concern, particularly as the municipality continues to grow. He said the City of Post Falls is willing to fund the construction of an overpass at Greensferry Road if ITD will be responsible for constructing the project. He requested Board approval for this partnership.

The consensus of the Board was to partner with the City of Post Falls for the construction of the I-90, Greensferry Overpass project. Chairman Whitehead thanked Mayor Larkin for the City's initiative on this project and asked DE1 Allen to prepare a formal proposal for the Board's consideration at a future meeting.

Delegation – Bonner County Area Transportation Team (BCATT). BCATT representative Susan Kiebert thanked the Board for the various improvements being made to the transportation system in the area. She thanked Vice Chairman Coleman for his leadership and the other Board members for their dedicated service to the state. She also acknowledged DE1 Allen and his staff for their assistance and the excellent working relationship they have established.

Chairman Whitehead thanked Ms. Kiebert for her comments.

Delegation – City of Sandpoint. Sandpoint Mayor Marsha Ogilvie thanked the Board for constructing the US-95, Sandpoint Byway project. She believes it is imperative to realign US-2 to remove through traffic from downtown Sandpoint. The City has funded a concept study and is now conducting a downtown street study. The intent is

to assume jurisdiction of old US-95 and US-2 upon completion of the Sandpoint Byway and US-2 realignment projects. In closing, she thanked the Board for its time.

Vice Chairman Coleman reported that the Subcommittee on State Highway System Adjustments discussed the US-2 project, also referred to as “the Curve” project, yesterday. The Subcommittee supports funding the US-2 realignment project and intends to recommend including the project in the current ITIP. He confirmed the Board’s desire to relinquish the state routes in downtown Sandpoint to the City. (See later minute entry.)

Chairman Whitehead thanked Mayor Ogilvie for her comments.

Delegation – City of Ponderay. Carol Kunzeman, Mayor of Ponderay, thanked the Board for the various transportation improvements underway in the Ponderay area, especially the US-95, Sandpoint Byway project. She also acknowledged the service of the Board members.

Chairman Whitehead thanked Mayor Kunzeman for her remarks.

Adopt-A-Highway Presentation (AAH). Vice Chairman Coleman recognized the Mennonite Youth Group from Boundary County for its participation in the AAH Program. The group has been picking up litter along US-95 since 2008. It is currently responsible for mileposts 512 to 520.

Public Transportation Update and I-Way Leadership Award. Cliff Warren, District 1 Mobility Manager, reported on the public transportation services in northern Idaho. Efforts are underway to expand services and improve coordination. Some of the challenges are local funding, increasing ridership, and increasing public awareness of the advantages of transit.

Christine Fueston with Kootenai County Transit elaborated on the transit efforts in Kootenai County. She emphasized the importance of transportation alternatives, especially for smaller, rural communities. Funding is the biggest obstacle, although she is optimistic that MAP-21 may provide more money for public transportation.

Mr. Warren presented the I-Way Leadership award to Selkirk Pend Oreille Transit. The multijurisdictional effort to provide public transportation in the greater Dover – Sandpoint area has been very successful, with a steady increase in ridership since its debut in June 2011.

Freight Study and Rail Plan Status Update. Maureen Gresham, Freight Study/Rail Plan Project Manager, provided an update on the freight study and rail plan. The following key issues and opportunities have been identified through stakeholder participation: limited system connectivity and access, inconsistent policies and regulation, lack of collaboration and partnering, and limited resources and funding. The next steps for the Freight Study are to establish goals or performance measures and scenarios. A draft plan and recommendations are scheduled to be presented to the Board in October. The Rail Plan Update process includes identifying preliminary project recommendations and then screening and analyzing projects. The draft report and recommendations are expected in March 2013.

Chairman Whitehead thanked Ms. Gresham for the report and for her efforts on this important project.

Idaho Moves Freight. Litehouse representatives Doug Hawkins and Slate Kamp provided an overview on Litehouse. They emphasized the importance of the highway system, particularly the efficient movement of freight. With a just-in-time manufacturing philosophy, the company relies on trucks to deliver fresh ingredients to the plant in Sandpoint and distribute fresh products throughout the country. The representatives requested outreach to the trucking industry when ITD considers infrastructure improvements. Some projects may not be trucker friendly, so they believe the trucking industries' perspective on proposed projects would be beneficial.

Vice Chairman Coleman acknowledged the importance of understanding the trucking industries' needs when infrastructure projects are being considered. Chairman Whitehead thanked Messrs. Hawkins and Kamp for addressing the Board.

Monthly Financial Statements. Transportation Investments Manager (TIM) John Krause reported that net cumulative obligations were \$249,000,000 as of June 30, of which \$239,300,000 had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$284,400,000. Net cumulative obligations are 6.8% higher than June's historical trend of \$233,200,000.

Controller Gordon Wilmoth said Federal Highway Administration (FHWA) Indirect Cost Allocation revenue through May was \$29,512,000, which exceeded the projected amount of \$27,925,000. Revenue from the Equipment Buy Back Program was \$11,670,000, while the projection was \$11,715,000. Miscellaneous state funded revenue of \$30,526,000 was \$1,505,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$164,529,000. The projected revenue was \$164,304,000. Revenue from the ethanol exemption elimination was \$14,040,000, which was 4.6% below the projected amount. Revenue

to the State Aeronautics Fund from aviation fuels was \$1,431,000, or \$57,000 less than the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,730,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,550,000 of the \$9,200,000 available.

End-of-Year Programming Process. TIM Krause said additional funds may be available for projects next month due to savings, redistribution of federal obligation authority not used by other states, and FY12 projects that are not ready for Plans, Specifications, and Estimates. There may also be un-programmed project needs. Staff is evaluating the status of projects and available funding. It will prepare an end-of-the-year plan for the Board's consideration next month.

Chairman Whitehead thanked TIM Krause for the informative overview on that process.

Re-scope and Delay Cheyenne (South Valley Connector) Overpass, Pocatello, to FY13. DE5 Ed Bala said the recent replacement of the Topaz Bridge on US-30 removed the last mobility and economic development restriction on the I-15/US-30 corridor. Regional planning efforts have identified an opportunity for ITD and the City of Pocatello to work cooperatively to ensure the continued support of regional economic development through modifying the proposed Cheyenne Overpass to better accommodate industry and mobility. DE5 Bala proposed redesigning the Cheyenne Overpass to cross under I-15, eliminating the potential restriction on I-15 for overlegal loads. The cost of reconfiguring the structure is \$2.75 million and would result in delaying the project to FY13. The additional funding required would be provided as a loan to the Bannock Transportation Planning Organization.

The Board expressed support for the proposal and thanked DE5 Bala for his efforts to enhance mobility and economic opportunities. (See later minute entry.)

Proceed with Public Involvement for the Draft FY13-17 ITIP. Chief Operations Officer (COO) Paul Steinman presented the updated draft FY13-17 ITIP. As a result of the June Workshop on the Program, staff analyzed and prioritized additional projects for funding, using a data-driven approach. Upon Board concurrence, the draft ITIP will be released for public review and comment next month and presented to the Board for approval in September.

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

RES. NO.
Department
ITB12-24

WHEREAS, it is in the public's interest for the Idaho Transportation Department to publish and accomplish a current, realistic, and fiscally constrained five-year Highway Development Program; and

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

WHEREAS, the Board is charged with maintaining a transportation system to accommodate all users; and

WHEREAS, the City of Pocatello is developing the Cheyenne South Valley Connector, which will cross I-15 near milepost 66; and

WHEREAS, the proposed structure would restrict the height of commercial vehicles using the interstate system; and

WHEREAS, the City of Pocatello desires to partner with the Department to provide an undercrossing of I-15 instead; and

WHEREAS, redesign of an undercrossing requires delay to FY13; and

WHEREAS, current funding is insufficient to provide an undercrossing;
and

WHEREAS, Idaho Code 40-317 gives the Board the authority to “Cooperate with the federal government, counties, highway districts, and cities for construction, improvement, and maintenance of secondary or feeder highways not in the state highway system”; and

WHEREAS, the Surface Transportation Program - Local Urban Committee has discussed repayment of a loan in FY16 through delaying the Bannock Transportation Planning Organization reconstruction of I-15B, Intersection Alameda and Jefferson, Pocatello (key #11657) to FY17.

NOW THEREFORE BE IT RESOLVED, that the Board approves the delay and re-scoping of Cheyenne Overpass, Pocatello from FY12 to FY13 as Cheyenne South Valley Connector with an additional \$2.75

million provided by FY13 ITD discretionary funds discussed within the Draft Idaho Transportation Investment Program Board Item.

Vice Chairman Coleman reiterated the Board Subcommittee on State Highway System Adjustments' support to add the Sandpoint, US-2 realignment project to the ITIP. He asked if the project needs to be added now, before the draft document is released for public review and comment. COO Steinman replied that the Board will have an opportunity to amend the ITIP in September, before approving it.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB12-25 to publish and accomplish a current, realistic, and fiscally constrained five-year Idaho Transportation Investment Program (ITIP); and

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

WHEREAS, the program update cycle requires cooperation with partner agencies in its calendar of activities; and

WHEREAS, the Board reviewed the Draft FY13-17 ITIP at its Program Workshop on June 13, 2012; and

WHEREAS, the next activity in the program update cycle is public review and comment per 23 Code of Federal Regulations 450.210; and

WHEREAS, project selection and program approval is scheduled for the Board's September meeting after incorporating public comment.

NOW THEREFORE BE IT RESOLVED, that the Board will commence public involvement in August with project and program information incorporated from:

- 1) The publication entitled Draft FY13-17 ITIP, July Board Meeting, which is on file in the Office of Transportation Investments; and
- 2) Attachment A - Additional Projects for Comment by the Public, as shown as Exhibit 415, which is made a part hereof with like effect.

Executive Session on Personnel and Legal Issues. Vice Chairman Coleman made a motion to meet in executive session at 12:20 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (d) and (f). Member DeLorenzo seconded the motion and it passed 5-0 by individual roll call vote.

Member Vassar discontinued participation in the meeting at this time due to technical difficulties with the teleconference system.

A discussion was held on personnel and legal matters.

The Board came out of executive session at 2 PM. No final actions or decisions were made.

Chairman Whitehead welcomed Senator Goedde to the meeting. He also thanked Senator Goedde for participating in part of the tour yesterday.

Legislative Proposals. Government Affairs Manager Mollie McCarty presented eight legislative ideas for the Board's consideration. The concepts are to be submitted to the Division of Financial Management (DFM) by August 1. Extensive discussion followed on proposals for the Division of Aeronautics, specifically revenue enhancement and airport land use planning. Chairman Whitehead and Vice Chairman Coleman attended the AAB meeting on July 17 to discuss the Division's budget and revenue concerns. The AAB was asked to develop a plan to increase revenue and present the proposal to the Board next month. The Board also noted that the Idaho Association of Realtors® submitted a letter in opposition of the proposed land use planning legislation as currently drafted.

Member Kempton made a motion to approve the resolution to submit all eight legislative ideas to DFM. Member Gagner seconded the motion.

Member DeLorenzo made a motion to amend the resolution to remove the airport land use planning idea from the package to submit to DFM. Vice Chairman Coleman seconded the motion. Upon a two-two tie with Vice Chairman Coleman and Member DeLorenzo voting in the affirmative, Chairman Whitehead also voted aye. The motion to amend the resolution passed 3-2.

Member DeLorenzo made a motion, seconded by Vice Chairman Coleman, to approve the amended resolution:

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit

ITB12-26 legislative ideas to the Division of Financial Management (DFM) for review and approval; and

WHEREAS, the Idaho Transportation Board has requested that staff prepare and submit legislative ideas that will serve to advise the Governor and DFM of agency issues with legislative solutions.

NOW THEREFORE BE IT RESOLVED, that the Board approves submittal of legislative ideas for aircraft registration change, state designation of airports, municipal airports – state review of federal grant requests, salvage title issuance by the Department, staggered vehicle registrations from first date of registration, pilot registration change, and relinquishing state routes to locals to DFM, and, upon approval, the development of draft legislation by Idaho Transportation Department staff for subsequent review and approval.

Upon a two-two tie with Vice Chairman Coleman and Member DeLorenzo voting in the affirmative, Chairman Whitehead also voted aye. The motion passed 3-2.

Vice Chairman Coleman and Member DeLorenzo expressed support for the land use planning legislation, but believe it is imperative to work with opponents to address their concerns. They are optimistic that the issues can be resolved and are hopeful another entity will carry the legislation in 2013.

Member Gagner indicated he supported the inclusion of the land use planning idea in ITD's package at this time because he is also optimistic that a collaborative effort with the Idaho Association of Realtors® will result in its support of proposed legislation.

Overview of the Eminent Domain Right of Way Process. Acting Right of Way Manager/ Transportation Systems Manager (TSM) Jason Brinkman summarized ITD's process to acquire property for highway projects. He outlined the appraisal process, offer and negotiation procedures, settlements, and the decision process when properties are sent to the Attorney General's Office for condemnation.

Chairman Whitehead thanked TSM Brinkman for the informative presentation.

District 1 Report. DE1 Allen reported on some of the District's activities and accomplishments. The status of some of its performance measures include delivering on time all nine of the projects it committed to delivering by July 1, 2012 plus advancing one project; 84% of the pavement is in good condition, which exceeded the

goal of 82%; and 70% of the bridges district-wide are in good condition, which is below the goal of 80%.

The District incorporated the new winter performance plan, based on storm index. The benefits of the winter level of service initiative is improved safety and mobility and more efficient use of materials, personnel, and equipment. DE1 Allen commended the collaboration with others and highlighted a number of partnerships, including with the private sector to construct the I-90, Beck Road Interchange through the STARS (Sales Tax Anticipation Revenue) legislation; the City of Sandpoint on a proposal to realign US-2 and remove through-traffic from downtown; and the City of Rathdrum on the reconstruction of the SH-41/SH-53 Bridge. In closing, he announced Assistant District Engineer Andrea Storjohann's retirement and thanked her for her extensive, dedicated service to ITD.

Chairman Whitehead thanked DE1 Allen for the report and the District's hospitality. He also acknowledged District 1's dedicated staff and its responsiveness.

Highway Safety Performance Plan. Highway Safety Manager (HSM) Brent Jennings said the National Highway Traffic Safety Administration requires a Highway Safety Performance Plan that outlines the behavior highway safety program for the year. The goal of the program is to eliminate highway fatalities and injuries. The Plan is data-driven, focuses on specific areas, includes performance measures, and aligns with the Department's Strategic Plan and Strategic Highway Safety Plan. He provided the draft document for review and will request approval of the Plan next month.

Chairman Whitehead thanked HSM Jennings for the presentation and for his efforts to improve highway safety.

Revisions to 2009 Manual on Uniform Traffic Control Devices (MUTCD). Carl Main, Traffic Services Engineer, requested revisions to Rule 39.03.41, Rules Governing Traffic Control Devices. Two main revisions have been made to the 2009 Manual. The first change includes revisions to definitions and guidance relating to traffic control devices to clarify the definition of Standard statements in the MUTCD and clarify the use of engineering judgment and studies in the application of traffic control devices. The second revision modifies compliance dates for traffic control devices.

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

RES. NO. WHEREAS, Idaho Code Sections 40-313, 49-201(3), and 67-523A give the

ITB12-27 Idaho Transportation Board authority to establish guidelines for the design, construction, and implementation of traffic control devices; and

WHEREAS, the Manual on Uniform Traffic Control Devices (MUTCD) is incorporated by reference in 23 Code of Federal Regulations, Part 655, Subpart F and is recognized as the national standard for traffic control devices on all public roads open to public travel; and

WHEREAS, the Federal Highway Administration has adopted the 2009 MUTCD including Revisions One and Two dated May 2012, and effective date of June 13, 2012; and

WHEREAS, the Idaho Transportation Department, the Local Highway Technical Assistance Council, and the FHWA, Idaho Division, have reviewed the 2009 MUTCD including Revisions One and Two as well as the recommended conforming additions to bring the manual in line with Idaho Code, correct errors, and accommodate the operations of the Department and local transportation agencies.

NOW THEREFORE BE IT RESOLVED, that the Board approves the IDAPA 39.03.41, July 2012, and authorizes the Department to proceed with rule-making.

Revised Administrative Rule on Right-of-Way Encroachments. Highways Operations Engineer (HOE) Greg Laragan reported on efforts to develop an amended administrative rule that streamlines the access permit application process and is compatible with the goals of safety, mobility, and economic opportunity. A committee reviewed access management policies and helped draft the proposed rule change. One key element is the revised access spacing table. The spacing table in the existing rule is based on access classifications tied to functional classification. The new table has been coordinated with the new corridor analysis and planning concepts. It is based on the importance of each route. Another proposed revision to the rule is that the District Engineer has been given the authority to approve or deny access permits, with economic considerations now a part of the decision-making process. Although the likelihood of appeals is being reduced, when appeals are necessary, they will come directly to the Board or its delegate. HOE Laragan noted that the presentation is for informational purposes. He intends to request Board approval of the rule revisions and the corridor planning map next month.

Vice Chairman Coleman acknowledged HOE Laragan, DE6 Blake Rindlisbacher, and DAG Chris Kronberg for their efforts on access management issues. Member Gagner

recognized Vice Chairman Coleman's leadership on the Access Management Committee.

Rule Change to 39.02.60, Rules Governing License Plate Provisions. Chris Fisher, Internal Communication and Registration Specialist, proposed revisions to IDAPA 39.02.60 to comply with new restrictions to special plate programs established in Senate Bill 1243. The legislation included parameters for the application and approval of the application for the special license plate program to rein in the proliferation of specialty license plates. It also ensures greater accountability for funds collected through this program. The entity must submit a financial plan, pay all upfront programming and administrative fees, submit a list of 250 Idaho applicants who are registered in the State of Idaho who intend to purchase the specialty plate, and provide an annual report to ITD.

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

RES. NO. WHEREAS, Idaho Code Chapter 4 Title 49 was amended to establish new
ITB12-28 restrictions to special plate programs by Senate Bill 1243, 2012; and

WHEREAS, a section was added to Idaho Code Chapter 4 Title 49 that puts parameters around the application for and approval of the application for Special License Plate programs to rein in the proliferation of specialty license plates and to ensure greater accountability for funds collected through the special plate programs; and

WHEREAS, Senate Bill 1243, Section 49-402D (d) authorizes the Idaho Transportation Department to adopt and promulgate rules to carry out the provisions of the section; and

WHEREAS, Senate Bill 1243 became effective July 1, 2012, a temporary rule is needed to carry out the provisions of law.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board adopts a temporary rule to carry out the provisions of Senate Bill 1243, 2012.

Proposed Changes to IDAPA 39.02.12, Certificates of Title and Bonded Certificates of Title. Barry Takeuchi, Outreach/Title Program Specialist, requested changes to IDAPA 39.02.12. When an owner acquires a vehicle less than ten years old and is not able to obtain the ownership documents necessary to obtain a regular title, the owner

must obtain a surety bond valid for three years and apply for a bonded title in addition to meeting other requirements. Currently, the rule indicates that a bonded title is to expire three years from the date of issuance. Because there is an interval between the bond purchase date and the date the bonded title is issued, a gap at the end of the three-year period is created. This can result in issues in ownership for both the seller and potential buyer. The proposed rule revision will align a bonded title's brand expiration date with the bond's expiration date, eliminating customer issues that may occur due to the bond expiring prior to the brand's expiration date.

Additionally, to address the concern that the owner may apply for the bonded title just before the bond expires, the revisions include that the owner obtain a bond rider if more than 90 days has passed since the bond was obtained. Other language within the rule is being updated to reflect current code references and business practices.

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

RES. NO. WHEREAS, the Idaho Transportation Board has the authority to approve
ITB12-29 requested changes to Administrative Rules; and

WHEREAS, the Board finds the requested changes to the Administrative Rule protects parties who may have a current or future interest in vehicles with bonded certificates of title.

NOW THEREFORE BE IT RESOLVED, that the Board approves the recommended changes to Administrative Rule:

IDAPA 39.02.12, Rules Governing Issuing Certificates of Title and Bonded Certificates of Title, which

- Aligns the brand expiration on a bonded certificate of title with the bond's expiration, and
- Requires an applicant for a bonded certificate of title to obtain a bond rider if he applies for title more than 90 days after the bond was issued; and

BE IT FURTHER RESOLVED, that the Board directs staff to promulgate temporary rule making effective August 1, 2012 and proceed with regular rule making at the same time for the changes as listed above for Administrative Rule.

Rules Governing Movement of Disabled Vehicles. Reggie Phipps, Vehicle Size and Weight Specialist, said IDAPA 39.03.10, Rules Governing When an Overlegal Permit

is Required, causes confusion by both industry and ITD staff. She requested removing language regarding the movement of disabled vehicles from 39.03.10 and creating a new rule, IDAPA 39.03.04, Rules Governing Movement of Disabled Vehicles to address the movement of disabled vehicles by the proper class of tow vehicles in removal and secondary movements. The new rule will also clarify the proper safety and towing requirements to ensure the safe and efficient movement of disabled vehicles. Staff partnered with the industry on this proposal.

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

RES. NO. WHEREAS, the Idaho Transportation Board has authority to approve requested
ITB12-30 changes to Idaho Transportation Department rules; and

WHEREAS, the Board finds the changes to IDAPA 39.03.10 and the creation of IDAPA 39.03.04 necessary to ensure the safe and efficient movement of disabled vehicles.

NOW THEREFORE BE IT RESOLVED, that the Board approves the following rules to be submitted for change:

Modify Rule 39.03.10 (Rules Governing When an Overlegal Permit is Required) to remove select information pertaining to the movement of disabled vehicles.

Rule 39.03.04 (Rules Governing Movement of Disabled Vehicles) outlining the proper safety and towing requirements for the movement of disabled vehicles by the proper class of tow vehicle; and

BE IT FURTHER RESOLVED, that the Board approves the request to submit the changes as listed above for Rule 39.03.10 and Rule 39.03.04 and directs staff to proceed with the administrative rule making process.

Rule Change to IDAPA 39.04.02, Rules Governing Marking of Hazards to Air Flight.
AA DeThomas said HB511 enacted in 2012 requires the marking and lighting of guyed towers. He requested revisions to IDAPA 39.04.02, Rule Governing Marking of Hazards to Air Flight to reflect the new requirements outlined in the legislation.

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

RES. NO. WHEREAS, the Idaho Transportation Board has the authority to approve

ITB12-31 requested changes to Administrative Rules; and

WHEREAS, the Board finds the proposed changes to the Administrative Rule provide appropriate compliance to fulfill the additional requirements of House Bill 511, 2012.

NOW THEREFORE BE IT RESOLVED, that the Board approves the proposed changes to IDAPA 39.04.02, Rules Governing Marking of Hazards to Air Flight, which adds new requirements associated with the dimension, design, color, and lighting of guyed towers; and

BE IT FURTHER RESOLVED, that the Board directs staff to proceed with the promulgation of temporary and proposed rulemaking effective July 1, 2012, commensurate with the effective date of House Bill 511.

Old/New Business. Vice Chairman Coleman referenced the earlier discussion on the proposed realignment of US-2 in Sandpoint. He reiterated the Board Subcommittee on State Highway System Adjustments' desire to relinquish the US-95 and US-2 routes in downtown Sandpoint upon completion of the US-95 Sandpoint Byway and realignment of US-2 projects. He added that the City of Sandpoint would like jurisdiction of the downtown streets.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department

ITB12-32 to publish and accomplish a current, realistic, and fiscally constrained five-year Highway Development Program; and

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

WHEREAS, the Board resolved to proceed with public involvement of the Draft FY13-17 Idaho Transportation Investment Program (ITIP); and

WHEREAS, the US-2, Lake Street to Cedar Street realignment was included in that resolution; and

WHEREAS, the Board wishes to proceed with this project as soon as possible.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of US-2, Lake Street to Cedar Street to FY13 of the approved FY12-16 ITIP for \$7.5 million with \$300,000 in state FY13 for development.

Member Gagner reported that the Board Subcommittee on State Highway System Adjustments supports revisions to Board Policy, B-09-06, State Highway System Adjustments. The changes clarify membership of the Subcommittee and remove references to the point rating system.

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

RES. NO. WHEREAS, the policies and procedures used to make adjustments to the state
ITB12-33 highway system are set forth in Board Policy B-09-06, State Highway System Adjustments; and

WHEREAS, the Subcommittee on State Highway System Adjustments has recommended changes to procedures used when making adjustments to the state highway system; and

WHEREAS, the Idaho Transportation Board has reviewed the recommended changes to the policy; and

WHEREAS, the Board finds that the proposed changes will make the process more efficient and effective.

NOW THEREFORE BE IT RESOLVED, that the Board approves the recommended changes to Board Policy B-09-06.

Member Gagner also mentioned that the Subcommittee is making progress on relinquishing Coeur d'Alene Lake Drive to the City of Coeur d'Alene. A proposal for the Board's consideration should be forthcoming.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 4:40 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
August 16, 2012
Salmon, Idaho

WORK SESSION, DISTRICT 3 TOUR, AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

June 13-15, 2012

The Idaho Transportation Board met at 8:30 AM, on Wednesday, June 13, 2012, at the Idaho Transportation Department, District 3 Office in Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

FY14 Appropriation. Staff provided historical information on the Department's revenue and appropriations and current issues impacting the proposed FY14 budget. A Congressional conference committee is working on the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). At this time, it appears the funding in the new bill would be similar to SAFETEA-LU. The current extension expires June 30.

The state revenue forecast for FY14 is \$249 million. Highway Distribution Account (HDA) revenue to ITD is projected to grow 2% annually. Construction costs have stabilized. In 2011, the annual cost of construction projects at the award of the bid was 86% of the construction budget. The Board requested information on the contract award versus the total construction amount.

The proposed FY14 budget was presented. Available funds are estimated at \$514.5 million, plus \$54.6 million for GARVEE bond payments. The estimated available funds for FY14 are 3.4% less than the funds available in FY13. Some of the appropriation requests include an additional \$189,300 for contract inflation, \$230.5 million for contract construction, and \$27.7 million for replacement equipment. Six line items totaling \$5.3 million are being requested, along with 1,827.5 full-time equivalent positions.

Planning. Staff summarized the current method to select projects, utilizing data to support decisions, and elaborated on the efforts to transition to a data-driven decision making process. It highlighted performance measures. This year, 72% of the state's bridges are in good condition. If no additional revenue is secured to address bridges, the forecast indicates that fewer than 60% of the state's bridges will be in good condition by 2020. The target is to commit \$10 million annually to bridge preservation and between \$40 million and \$65 million annually to restoration.

In 2011, 87% of the Department's pavements were in good or fair condition. It is estimated that the percent of pavement in good or fair condition will decrease to 80% by 2017.

Programming. Estimated funding for the five-year Idaho Transportation Investment Program (ITIP) is \$1.7 billion. Due to the transition to the project selection system, the FY13-16 projects in the draft Program were selected under the old process and the FY17 projects utilize the new data-driven system. The Board directed staff to test the FY13-16 projects under the new system to determine if those projects meet the statewide priority criteria. It was also noted that there is approximately \$104 million in discretionary funds available for programming in the five-year Program, including \$55.9 million in FY13.

Several projects were highlighted, including funding for federal resource agencies to expedite reviews of ITD projects and a fuel tax evasion project for the Idaho Tax Commission. Because the recovery rate has been about seven to one, some discussion was held on increasing the funding for the fuel tax evasion project.

A discussion was held on the GARVEE Program. Three policy options were considered: complete the fixed scope; utilize the additional \$80 million in bonding authority that has been authorized by the legislature within either the 6 primary corridors or the original 13 corridors; or request additional bonding authority, above the \$80 million, from the legislature and expand the list of corridors eligible for GARVEE funding. The consensus of the Board was to revisit the policy options at the business meeting on June 15 and, if the decision is to issue additional GARVEE bonds, to determine which projects to fund at the July meeting. Also, projects to fund with additional available federal formula funds are to be submitted to the Board for approval in July. Staff is to prioritize the GARVEE projects in accordance with the requirements outlined in Idaho Code and the federal formula projects based on the new data-driven project selection system. (See later minute entry.)

Innovative Contracting. The traditional design-bid-build, construction manager/general contractor, and design-build methods of delivering construction projects were summarized. Idaho Code limits ITD use of a construction manager/general contractor or design-build to 20% of its annual highway program. The Department's first design-build project is in progress on SH-44 in District 3. The procurement process is underway and the contract is expected to be awarded in September 2012. Development is also proceeding on contract manager/general contractor procurement documents.

Chairman Whitehead thanked the various staff members for their presentations and efforts on the workshop.

WHEREUPON the workshop recessed at 5:00 PM.

June 14, 2012

The Board reconvened at 8:00 AM on Thursday, June 14, 2012, in Boise, Idaho. All members were present.

District 3 Tour. The Board traveled I-84 east to the East Boise Port of Entry where it toured the facility and learned more about its activities. It continued east on I-84 and south on Simco Road. At the US Ecology transfer site, it heard about the hazardous materials that arrive via railroad. The material is transferred to commercial trucks for transporting to the facility near Grand View for de-contamination and disposal. The tour continued south on Simco Road and SH-167 and west on SH-78. After a stop at the Simplot Feedlot near Grand View for an overview on that operation, the Board continued west on SH-78. It visited the new maintenance yard under construction near Murphy and traveled west on SH-78 and north on SH-45 to the Nampa Airport.

Nampa Mayor Tom Dale welcomed the Board to Nampa. Nampa Planning Director Clair Bowman said the Nampa Airport is exploring options to extend its runway. Because the facility is landlocked, options are being reviewed to relocate or modify streets to accommodate the runway project. The I-84 Business route would be impacted if the runway is extended to the northwest. Another proposal being discussed with District 3 is extending SH-45 north to I-84 via Northside Boulevard. If ITD is receptive to realigning SH-45 and adding approximately 8 ½ lane miles to its system, the City of Nampa would assume jurisdiction of the I-84 Business route, approximately 22 lane miles.

District 3 Engineer (DE) Dave Jones said he has briefed the Board Subcommittee on State Highway System Adjustments on the potential SH-45 transaction. The Subcommittee supported pursuing this proposal.

The tour continued east on I-84 to Boise.

WHEREUPON the tour recessed at 4:40 PM.

June 15, 2012

The Board reconvened at 8:00 AM on Friday, June 15, 2012, at the Idaho Transportation Department, District 3 Office, in Boise, Idaho. All members were present.

Board Minutes. Member Vassar made a motion to approve the minutes of the special Board workshop held on May 11, 2012 and the minutes of the regular Board meeting held on May 15-16, 2012 as submitted. Member Gagner seconded the motion and it passed unopposed.

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

July 18-19, 2012 – District 1

August 15-16, 2012 – District 6

September 19-20, 2012 – District 4

Consent Calendar. Chairman Whitehead commented on two professional services agreements for the SH-55, Eagle Road, Fairview Avenue to SH-44 project. In comparing the costs of the construction engineering and inspection agreement of \$182,000 to the \$61,200 agreement for public information during construction, it appears the public information costs are high. DE Jones said staff is conducting some of the construction inspection activities, but is supplementing its workload with consultants. He added that SH-55 is a high-volume road and believes it is important to keep the public and businesses informed of the construction activities.

Member Gagner referenced the Strategic Plan, specifically the performance measure reporting on the construction cost at award as a percent of the construction budget. At the workshop on June 13, the Board asked for information on the final project costs. Chief Deputy Stokes replied that staff will provide that information to the Board.

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

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-20 approves the Public Transportation Advisory Council appointments for Districts 1 and 4 and the FY13-16 Strategic Plan for the Division of Financial Management and has received and reviewed the contract award information and the professional services agreements and term agreement work task report.

1) Appointment of Public Transportation Advisory Council (PTAC) Members for Districts 1 and 4. Staff solicited applicants to fill the expiring positions of District 1 and 4 PTAC members Jim Deffenbaugh and Joe Herring, respectively. Staff recommends the appointment of Craig Wilcox to represent District 1 and John Hathaway to represent District 4 on the PTAC through 2015.

2) FY13-16 Strategic Plan for the Division of Financial Management. Idaho Code requires all state agencies to submit a Strategic Plan covering a minimum of four years to the Division of Financial Management by July 1. The Plan includes the Department's vision and/or mission statement, goals, objectives, performance measures and benchmarks, and external factors. Staff requested approval of the FY13-16 Strategic Plan.

3) Contract Awards. Key #11559 – US-12, Crooked Fork River Bridge, Idaho County, District 2. Low bidder: West Company, Inc. – \$563,290.

Keys #11048 and #11052 – SH-21, Mores Creek Summit to Milepost 60 and Milepost 60 to Clear Creek Bridge, Boise County, District 3. Low bidder: Knife River Corporation – Northwest - \$3,896,005.

Keys #11051 and #11565 – SH-51, Sheep Creek Road to Tindall Road, and Tindall Road to Milepost 33, Owyhee County, District 3. Low bidder: Snake River Construction, Inc. - \$1,604,957.

Key #12957 – I-84, Snake River Overpass Eastbound, Near Glens Ferry, District 4. Low bidder: Cannon Builders, Inc. - \$1,110,808.

Key #12078 – SH-25, Main Street and Tiger Drive, Jerome County, District 4. Low bidder: Staker & Parson Companies dba Idaho Sand & Gravel - \$487,732.

Key #12863 – FY12 District 4 Bridge Deck Rehabilitations. Low bidder: Cannon Builders, Inc. - \$2,557,251.

Key #11207 – US-20 and SH-33, FY12 Dynamic Message Signs, District 6. Low bidder: Beco Construction Company, Inc. - \$297,711.

4) Professional Services Agreements and Term Agreement Work Task Report. From April 28 through May 24, \$745,457 in new professional services agreements and work tasks were processed. Five supplemental agreements to existing agreements were processed in the amount of \$605,439 during this period.

Director's Report. Director Ness reported on various activities and meetings. The Legislative Services Office completed audit procedures in conjunction with the audit of the statewide single audit report for FY11 and had no findings or recommendations. Staff attended an Idaho Association of Commerce and Industry's meeting, which focused on the economy, and will participate in the Association of Idaho Cities' conference later this month. Several staff members will attend the Western Association of State Highway and Transportation Officials' conference next month. He also reported that the Division of Motor Vehicles received an award for its drivers' license notification campaign.

CD Stokes mentioned the recent transportation workshop conducted by the Strategic Energy Alliance. The Alliance commended ITD's approach to address economic opportunities through transportation. Utility companies are interested in the Department's corridor planning efforts and working cooperatively to utilize the state's right-of-way to address their needs. He also reported that ITD will host freight forum meetings throughout the state next month.

Delegation – Idaho Bicycle and Pedestrian Alliance. Cynthia Gibson, Executive Director, Idaho Bicycle and Pedestrian Alliance, said the 2012 League of American Bicyclists' report card rated Idaho 36th nationally for its bicycling and pedestrian efforts. The report indicated Idaho needs to enact a safe passing or vulnerable road user law, establish a complete streets policy, identify dedicated state funding for bicycle and pedestrian facilities, and adopt a state bicycle plan.

Member Vassar believes the rural nature of the state makes it difficult to address bicycle and pedestrian facilities, particularly sidewalks. Member Kempton believes a safe passing law may be difficult to enforce. Additionally, he believes bicyclists need guidance on where they should ride in relation to the curb or fog line. Ms. Gibson concurred with the latter comment, noting that more education for both motorists and bicyclists is needed. Regarding the rural nature of Idaho, she believes it is important to plan for the future and make a concerted effort to make rural roads safer for bicyclists.

Vice Chairman Coleman questioned revisiting the rescission of the Enhancement Program funds to provide more funding for bicycle and pedestrian facilities. Member Gagner said it is difficult to fund this mode due to the poor economy and the potential decrease in federal funding.

Member DeLorenzo believes education is a key component in addressing bicycle and pedestrian issues.

Chairman Whitehead thanked Ms. Gibson for her comments and said the Board recognizes the need for additional bicycle and pedestrian facilities.

Delegation – Valley Regional Transit (VRT). VRT Executive Director Kelli Fairless provided an update on public transportation services and activities in the Treasure Valley. Its goals are stewardship, building partnerships, and building institutional capacity. The “Valley Connect” plan, adopted last year, identified gaps that need to be addressed. Other highlights include the establishment of volunteer drivers, a vehicle sharing program, and securing funding for transportation for veterans. She also commended the good partnership with ITD.

Chairman Whitehead thanked Ms. Fairless for the report and for her efforts to enhance and expand public transportation in the greater Boise area.

Adopt-A-Highway Presentation (AAH). Member DeLorenzo recognized Gretchen Sherlin and partners for their participation in the AAH Program. Ms. Sherlin has been picking up litter along SH-21 since 2003 and has recruited other groups to adopt sections of SH-21.

Legislative Proposals. Government Affairs Manager (GAM) Mollie McCarty summarized the legislative process. The advisory boards were invited to present their legislative proposals to the Board.

Aeronautics Advisory Board Chairman Rodger Sorensen presented five legislative ideas. The concepts relate to aircraft registration, pilot registration, airport land use planning, state designation of airports, and the state’s review of municipal airports’ federal grant requests.

GAM McCarty said staff is considering legislative ideas related to issuing salvage titles and staggered vehicle registrations. The final list of legislative concepts will be presented to the Board for approval next month, as they must be submitted to the Division of Financial Management by August 1.

Member Gagner said the Board Subcommittee on State Highway System Adjustments has been reviewing Idaho Code. Staff is working on a proposal to clean up language related to abandoning highways. Vice Chairman Coleman added that the Access Management Committee may also pursue legislation, but he does not believe ITD would sponsor that proposal.

Idaho Moves Freight. Boise Valley Railroad (BVR) and Watco representative Carl Legg summarized Idaho’s short line railroads, focusing on the BVR. BVR operates on 36 miles of track, providing service to 84 customers. A study was recently conducted to determine if there is a market need and a viable operations site for a multi-modal/transload center in Boise. The study concluded that the use of rail could be greatly expanded, and a site could have a substantial economic impact on the geography and enhance the ability to attract new industries to the area. A minimum site of 40 acres and approximately \$15.5 million is required to accommodate the

volume and variety of products needed at a multi-modal site. He also talked about the efficiencies of moving freight via rail.

Member Horsch expressed frustration with trains' schedules and the length of time it takes to get products to the East Coast. Mr. Legg concurred with the schedule issue, but added that hauling freight via rail is more efficient and economical when long distances are involved.

In response to Member Kempton's question on the short lines' tax structure, Mr. Legg said the railroad is similar to a utility. It pays taxes based on revenue. Member Kempton asked staff for a more detailed presentation on the tax structure at a future meeting.

Chairman Whitehead thanked Mr. Legg for the presentation.

Discontinue License Plate Reservation Fee. Chris Fisher, Internal Communication and Registration Specialist, said the Department has been collecting a fee when registrants request retaining their current license plate number when the plate is seven years old and needs to be replaced. The \$2 fee covered the additional production cost. As a result of changes to the production methods, this additional production cost has been eliminated. Staff recommends eliminating the additional fee, passing the savings on to registrants seeking to retain their current license plate number.

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

RES. NO. ITB12-21 WHEREAS, Section 49-443(1) Idaho Code requires the Idaho Transportation Department to furnish license plates for vehicles registered under the provisions of Chapter 4, "Motor Vehicle Registrations" Idaho Code; and

WHEREAS, Section 49-443(2) Idaho Code requires the issuance of new license plates every seven years beginning with the date of issuance, and requires the Department to implement a plate number reservation program; and

WHEREAS, Section 49-443(2) Idaho Code, allows the Department to charge a fee to recover the cost to the Department for reservation of license plate numbers, and the Idaho Transportation Board passed such fee in August 2004; and

WHEREAS, the Department has updated the license plate manufacturing contract and there is no longer a fee, other than standard charges, for remaking plates with the same number; and

WHEREAS, the Board supports efficiency measures and believes in fairness to customers and as such that the services and fees be structured to accurately reflect the cost to the Department for delivering the program; and

WHEREAS, the additional fees previously imposed for plate reservation are no longer necessary, as additional production costs have been eliminated for remaking the same number plate.

NOW THEREFORE BE IT RESOLVED, that the Board rescinds the Department reservation fee of \$2.00 per pair for reserved and specially ordered plates and \$1.00 for each single plate; revoking ITB04-43.

Quarterly Update – Garnet Project. Motor Vehicles Administrator Alan Frew provided an update on the Division of Motor Vehicles’ modernization project. The drivers’ license and identification card centralization effort has been completed. The data cleansing process, where all records are checked for errors, is underway. He noted this is a time-consuming step, as millions of records need to be reviewed and transitioned to the new system. Organization change management is being used to ensure the success of the project. Phase I is back on schedule after a minor delay several months ago. Phase II, related to registrations and titles, also encountered a delay, but he believes it will get back on schedule. The project is on budget.

3M representative JD Sobol believes the project is proceeding well. The risks were assessed early and a plan was developed to mitigate those risks. He added that the Department has done a good job with communication, which is also instrumental for a successful project.

The Board thanked Messrs. Frew and Sobol for the report and commended the team for getting Phase I back on schedule.

Excellence in Transportation Awards. The Excellence in Transportation Awards were initiated in 2003 as part of the Project Development Conference to recognize accomplishments and ITD personnel. Five projects were identified for outstanding achievement in planning, design, construction, and public participation. Additionally, retired Manager, Transportation Investments Dave Amick and Chief Human Resources Officer Mary Harker were presented the organization’s Career Achievement and Professional of the Year award, respectively.

Executive Session on Legal Issues. Vice Chairman Coleman made a motion to meet in executive session at 11:40 AM to discuss legal issues as authorized in Idaho Code Section 67-2345(d) and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on legal matters.

The Board came out of executive session at 1:35 PM. No final actions or decisions were made.

IPLAN Web Application Presentation. Planning/Programming Management Manager (PPMM) Erika Bowen summarized the agreement with BIO-WEST for Phase 1 of the IPLAN contract. IPLAN is a planning tool that will enable staff to examine layers of data from a number of locations in a Geographic Information System (GIS) environment. The end product of Phase 1 will be a web-enabled GIS software application that combines ITD’s segregated datasets and allows non-GIS analysts to view and create maps for communication and analysis purposes. Phase 1 consists of assessing goals and needs, assisting in the development of IPLAN, and user training. Accomplishments to date include a signed contract for Phase 1, the project charter, and the beginning of a web site configuration for discussion. Phases 2 and 3 will encompass external collaboration and tying into other systems, and establishing scenarios and a long-range vision to

help identify projects for funding. The detailed scope and contract cost for the second and third phases have not been determined.

PPMM Bowen also announced that the American Association of State Highway and Transportation Officials has selected Idaho as one of ten states to fund as test drivers for a national version of UPLAN. UPLAN is the Utah Department of Transportation's online planning tool that ITD is using as a model for IPLAN.

Member Gagner asked if the program is being developed in-house or if it can be purchased off the shelf. PPMM Bowen replied that staff has not made that decision yet. The Department would like to utilize internal staff if possible. Member Gagner asked for clarification on how the system will be used. Chief Engineer (CE) Tom Cole replied that the system will provide a one-stop shop for data. It will provide a foundation for future planning and identify various scenarios. It will be a tool in the decision-making process.

In response to Member Horsch's question on the funding source for the project, PPMM Bowen said federal planning funds are being used. Because federal funds are being used, Member Horsch asked if the system and information will be available for other departments of transportation and other agencies. Chief Operations Officer (COO) Paul Steinman replied in the affirmative. He said states share a host of information and added that IPLAN was derived from Utah's plan.

Member Vassar asked if staff will seek Board concurrence before proceeding with Phases 2 and 3. PPMM Bowen said that staff can revisit the next two phases with the Board. She added that if the project ends after the first phase, she believes it will have been a success, as the first phase will be very beneficial.

Without objection, the Board directed staff to provide a report on Phase 1 of the BIO-WEST IPLAN Web Application project upon the expenditure of \$100,000.

FY13 Evaluation Phase Project Charter Work Program. PPMM Bowen said the evaluation phase project charter is the first component of a three-part document that follows the lifecycle of a project. It emphasizes gathering the appropriate data to accurately reflect estimated project costs, project delivery, resources, scope, and etc. She elaborated on the project charter procedures and the three phases: evaluation, development, and implementation. The results will be clear identification of the project cost and time constraints, a knowledgeable and committed project sponsor, a well-defined team, and reduced risk of delay and failure. All projects will need a charter to be eligible for inclusion in the ITIP.

Chairman Whitehead thanked PPMM Bowen for her presentations.

District 3 Report. DE3 Jones reported on some of the District's activities and accomplishments. Safety projects included completing the sign inventory analysis and installing flashers and reflectors at high-accident locations. The winter maintenance performance measures, avalanche program, and access management plans are means to improve mobility. Improvements to SH-55, Eagle Road, in Meridian financed through STARS (Sales Tax Anticipation Revenue) legislation

is an excellent public-private partnership that is promoting economic opportunities. The District also supports major events in the area, such as bicycle races and iron man competitions, not only to ensure safety of the participants and traveling public, but also because of the economic benefits of those events.

DE Jones said the District needs to improve its project delivery efforts. It is complying with project schedules for design and construction. It has five corridor plans underway; however, none are on the shelf.

Member DeLorenzo thanked DE Jones and his staff for their efforts, particularly for the interesting tour yesterday.

Monthly Financial Statements. Acting Manager, Transportation Investments John Krause reported that net cumulative obligations were \$233,100,000 as of May 28, of which \$233,500,000 had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$270,100,000. Net cumulative obligations are 12% higher than May's historical trend of \$208,700,000.

Controller Gordon Wilmoth said Federal Highway Administration Indirect Cost Allocation revenue through April was \$27,990,000, which exceeded the projected amount of \$24,350,000. Revenue from the Equipment Buy Back Program was \$11,551,400. Miscellaneous state funded revenue of \$27,839,400 was \$1,314,400 above the forecast. HDA revenue, excluding ethanol exemption elimination, was \$151,371,000. The projected revenue was \$150,329,700. Revenue from the ethanol exemption elimination was \$12,887,000, which was 4% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$1,306,000, or \$44,000 less than the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,645,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,524,000 of the \$9,200,000 available.

Old Business. Based on the June 13 discussion on the GARVEE Program and policy options, Vice Chairman Coleman expressed support to utilize the full bonding authority the legislature provided, about \$80 million more, to construct projects in the original 13 corridors.

Vice Chairman Coleman made a motion and seconded by Member DeLorenzo to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the
ITB12-22 timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 directs the Board to consider the cost of the projects and whether or not the project could be funded without GARVEE bonding; and

WHEREAS, Idaho Code 40-315 directs the Board to balance and coordinate the use of bonding with the use of highways construction funding; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GAREVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects; and

WHEREAS, unfunded projects exist within the approved corridors; and

WHEREAS, the Board finds that the unfunded projects are necessary to facilitate traffic flow on vital transportation corridors; and

WHEREAS, the Board finds that the unfunded projects are necessary to improve the safety of the travelling public; and

WHEREAS, as of this date, there remains authorization for the Board to reallocate in the amount of approximately \$80 million to construct other projects within the legislatively authorized corridors.

NOW THEREFORE BE IT RESOLVED, that the Board shall allocate or adjust the remaining funding authorization to construct projects within the corridors specified in Idaho Code 40-315(1)(b).

Member Gagner asked how much additional debt service would result from that action. Chief Administrative Officer (CAO) Mike Golden replied that the total annual debt service amount would be about \$56 million. Chairman Whitehead asked if the bond rate is favorable. CAO Golden replied yes. The interest rate is currently around 4%.

Member Vassar asked if the motion funds projects in the original 13 corridors. DAG Allen confirmed that Idaho Code 40-315(1)(b) specifies the original 13 corridors are eligible for GARVEE funding.

Member Gagner asked if staff will rate potential projects for the Board to approve next month. COO Steinman responded that staff will rank the projects based on the specific criteria outlined in Idaho Code. Member Kempton asked if the District Engineers will be involved in the process. COO Steinman replied that the District Engineers will participate in this activity, partly to confirm projects' development status.

In response to Member Vassar's question on whether this action will free up federal formula funds, COO Steinman replied yes. Staff will also identify potential projects for the Board to consider funding with federal formula funds next month.

Vice Chairman Coleman expressed support to expand the Connecting Idaho Partners contract to assist with reviewing and prioritizing projects if need be to ensure updated, accurate information is available at the meeting next month.

The motion passed unopposed.

Member Gagner referenced the discussion to re-align SH-45 with City of Nampa officials yesterday. He confirmed that the Board Subcommittee on State Highway System Adjustments has been apprised of that proposal. Although the Subcommittee supports pursuing the realignment of SH-45, he believes the concept should be vetted by the full Board. Hearing no objection, Chairman Whitehead directed DE3 Jones to proceed with exploring the realignment of SH-45 and related highway system adjustments.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:30 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
July 19, 2012
Coeur d'Alene, Idaho

REGULAR MEETING AND DISTRICT FIVE TOUR
OF THE IDAHO TRANSPORTATION BOARD

May 15-16, 2012

The Idaho Transportation Board met at 9:15 AM, on Tuesday, May 15, 2012, in Pocatello, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Janice B. Vassar, Member – District 2
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 5 Tour. The Board met with Pocatello Airport Manager David Allen for a tour of the recently remodeled terminal and an overview on the airport.

The Board toured Virginia Transformer Corporation's (VTCU) plant in Pocatello where industrial transformers are manufactured and reconditioned. Units transported to and from the plant can be up to 25 feet wide, 20 feet tall, 150 feet long, and weigh in excess of 250,000 pounds. Discussion was held on the facilities' transportation needs and issues, particularly the overlegal loads. One of its concerns is that the western states do not have uniform size and weight regulations.

Vice Chairman Coleman left the tour at this time.

The group traveled various state and local roads that VTCU's oversized loads traverse, including US-91, Ferry Butte Road, SH-39, Hoff Road, Hilltop Road and US-26 north to Blackfoot. Because of limitations on the Interstate system, the majority of oversized loads cannot drive on I-15, increasing the time and cost to deliver products. From Blackfoot, the Board traveled I-15 south to approximately milepost 22 to view the structures that restrict the oversized loads. The Board traveled I-15 north to Pocatello.

WHEREUPON the tour recessed at 4:50 PM.

May 16, 2012

The Board reconvened at 8:30 AM on Wednesday, May 16, 2012, at the Idaho Transportation Department District 5 Office in Pocatello, Idaho. All members were present except Vice Chairman Coleman and District 3 Member Julie DeLorenzo; however, Vice Chairman Coleman participated via teleconference. Deputy Attorney General Larry Allen was in attendance.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on April 18-19, 2012 as submitted. Member Gagner seconded the motion and it passed unopposed.

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

June 13-15, 2012 – District 3

July 18-19, 2012 – District 1

August 15-16, 2012 – District 6

Consent Calendar. Vice Chairman Coleman removed the professional services agreements and term agreement work task report from the consent calendar. Member Gagner made a motion, seconded by Member Vassar, and passed unopposed, to approve the following resolution:

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

ITB12-15 approves the FY13 out-of-state travel, the addition of the National Summer Transportation Institute project to FY12 of the Idaho Transportation Investment Program, and the addition of the Avalanche Dynamic Message Sign Replacement project; and has received and reviewed the contract award information.

1) Out of State Travel. The FY13 out-of-state travel request is \$251,300. The budget includes \$206,520 in state funds and \$44,780 in federal funds.

2) Addition of National Summer Transportation Institute Project. The Federal Highway Administration (FHWA) awarded \$55,000 of FY12 On-the-Job-Training/Supportive Services discretionary funds to Idaho last month. Northwest Nazarene was awarded the money to fund a summer camp to deliver professional and STEM (Science, Technology, Engineering, and Math) based skills and activities to incoming seventh graders. The focus is to encourage young people to consider careers involving science, math, and engineering. Staff requested the addition of the FY12 Northwest Nazarene University Program to the Transportation Investment Program for \$55,000 and to amend the federally-approved Idaho Transportation Investment Program (ITIP).

3) Addition of Avalanche Dynamic Message Sign Replacement, District 3. Staff requested the addition of the Avalanche Dynamic Message Sign Replacement project to FY12 of the ITIP for \$537,000. Currently, there are six non-functional dynamic message signs on SH-21 and SH-55. Replacing these signs will provide the traveling public with information on the road conditions through the avalanche-prone corridor between Lowman and Stanley on SH-21. Savings from an FY10 project are available to fund these signs.

4) Contract Awards. Key #11548 – SH-200, Delta View Road to Lightning Creek Bridge, Bonner County, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$2,997,338.

Key #12985 – I-90, FY12 District 1 Bridge Repairs. Low bidder: Braun-Jensen, Inc. – \$392,000.

Key #12013 – FY13 District 2 Districtwide Sealcoats. Low bidder: Knife River Corporation – Northwest - \$1,725,000.

Key #9346 - SH-55, Payette River Bridge South to Payette River Bridge North, Cascade, District 3. Low bidder: C & A Paving Company, Inc. - \$1,860,465.

Key #12915 – SH-16, Boise River Bridge, North Stage, District 3. Low bidder: Concrete Placing Company, Inc. - \$19,404,918.

Key #12044 – SH-55, Eagle Road; Fairview Avenue to SH-44, District 3. Low bidder: Staker & Parson Companies dba Idaho Sand & Gravel - \$4,680,441.

Key #13038 – I-84, FY12 District 3 Bridge Deck Rehabilitations, Elmore and Ada Counties. Low bidder: Concrete Placing Company, Inc. - \$1,726,581.

Keys #13037 and #13039 – I-84, Boise River Bridges, Caldwell and Black Canyon Interchange #13, District 3. Low bidder: Concrete Placing Company, Inc. - \$1,423,745.

Keys #12876 and #12877 – Glens Ferry to Power Plant Road Bridge Deck Rehabilitations, and King Hill to Wendell Overpasses, District 4. Low bidder: J M Concrete - \$1,839,045.

Key #9558 - I-15, Pancheri Drive Underpass, Near Idaho Falls, District 6. Low bidder: H-K Contractors, Inc. - \$8,986,369.

Professional Services Agreements and Term Agreement Work Task Report. From April 2 through April 27, \$2,414,283 in new professional services agreements and work tasks were processed. Four supplemental agreements to existing agreements were processed in the amount of \$65,300 during this period.

Vice Chairman Coleman requested additional information on the \$456,700 agreement with Bio-West, Inc. to develop a Geographic Information System (GIS) web application. Chief Engineer (CE) Tom Cole said this is part of the IPLAN project to help the Department plan 50 years in the future and achieve identified goals. One of the key features is consolidating data and making it readily available. Staff is utilizing work that the Utah Department of Transportation has already created, but needs to modify it for ITD's use. The contract includes three phases.

Vice Chairman Coleman said he read the contract and noticed there are a number of unknown issues. He questioned proceeding with all three phases without a better defined scope. Although he supports IPLAN, he suggested delaying phases 2 and 3 of the Bio-West contract.

Vice Chairman Coleman made a motion to approve \$100,000 for Bio-West, Inc. to develop a GIS web application. Member Vassar seconded the motion. Vice Chairman Coleman said the intent of the motion is to proceed with phase 1, but ensure phases 2 and 3 are better defined.

CE Cole reiterated that the contract has already been authorized by staff; however, he suggested the Board could direct staff to only proceed with phase 1 at this time.

Vice Chairman Coleman withdrew his motion and the second concurred. Hearing no objection, Chairman Whitehead directed staff to proceed only with phase 1 of the Bio-West, Inc. contract for a GIS web application at this time and to present more information on this project at the meeting next month.

Director's Report. Director Ness summarized various activities he participated in during the past month, including meetings with employees, an economic impact workshop, a forum on technology corridors, and Capital for a Day in New Meadows. He will be attending the Spring American Association of State Highway and Transportation Officials' meeting later this week. He also mentioned that activities related to changing the culture at ITD are proceeding and the Department and a number of employees received awards and recognition for various activities.

Chief Deputy (CD) Scott Stokes reported on discussions with the Idaho Department of Parks and Recreation to consolidate registration services. There may be an opportunity to partner to improve efficiency. He mentioned a recent highway safety summit and that the National Highway Traffic Safety Administration commended Idaho for its partnerships. He also presented a schedule for the various initiatives underway, such as the Strategic Plan and reports to the Board, the job classification project, the culture project, and succession planning.

Member Gagner noted Idaho's fatalities are higher this year than this time last year. He asked if that is a national trend. CD Stokes replied yes, the fatality rate is up across the country; however, Idaho's rate increased more than the national rate. He emphasized that his perception of the preliminary data is that fatalities related to impaired driving are up significantly. He also noted that three pedestrians and one bicyclist have been killed this year to date, while at the same time last year, there had been no fatalities in these categories. The data is being shared with ITD's partners and discussions will continue on how best to address this trend.

Adopt-A-Highway Presentation (AAH). Member Horsch thanked the Idaho State University Hearing and Speech Clinic and ATC - Malad for participating in the AAH Program. The groups pick up litter along I-15 and SH-38, respectively. Chairman Whitehead also commended the efforts of these volunteer groups.

Chairman Whitehead welcomed Representative Jim Guthrie to the meeting.

Transportation Performance and Public Transportation Advisory Council District 5 Update. Public Transportation Senior Ted Vanegas said 2,085 people walk to work in District 5, or almost 10% of the state population that walks to work, ranking it last among all of the Districts. It ranks 4th among the Districts with 563 residents biking to work, or 7% of the state population. He noted that various factors, such as weather, geography, and education, impact peoples' ability to use alternative modes of transportation. He also emphasized the importance of partnerships at all levels.

District 5 Mobility Manager Dave Doran summarized the transit services available in District 5. Some of the past years' highlights include the extension of fixed route services to eight new areas of Pocatello; the addition of bicycle racks on all transit vehicles; and Ride Link, which connects workers from Pocatello to the Idaho National Laboratory in Idaho Falls and Monsanto in Soda Springs, serviced 6,239 passenger trips. He noted that some of the area's challenges are to sustain the increased ridership levels, enhance public perceptions and awareness, and address air quality issues in the Preston and Cache Valley areas. Efforts will continue to build coalitions to address

environmental and growth issues, enhance existing services, and establish or enhance partnerships to secure additional revenue.

Member Gagner questioned Salt Lake Express's subsidy per passenger trip, which was zero in January 2012. Research Analyst Mark Bathrick responded that there were some compliance issues with that provider. Salt Lake Express cannot receive Federal Transit Administration reimbursements until those issues are resolved.

Idaho Moves Freight. Mike Kempel, Pacific Steel and Recycling, elaborated on the company and the large number of loads shipped to and from the plant in Pocatello via highway and rail. He expressed support to increase the maximum weights on Idaho's highways to 129,000 pounds, noting that Utah and other states in the northwest allow the higher weights.

Some discussion followed on the current pilot project allowing 129,000 pounds on select state highways. CE Cole noted that the final report on the pilot project is due in January 2013. He does not believe the report will be conclusive because it is difficult to ascertain if damage to the roadway is caused by the limited number of trucks operating at 129,000 pounds or if any damage that may be identified is a result of the numerous trucks operating at the legal limit. Motor Vehicle Administrator Alan Frew added that a coalition has been established to encourage Congress to increase the weight limit on the Interstate system to 129,000 pounds. The 129,000 pound limit was grandfathered in some states, including Utah, Montana, and Nevada, when Congress changed the national weight limit on the Interstate system.

Terry Hansen with Wada Farms reported on the company's operations, including its use of the transportation system. He concurred that increasing weight limits would be advantageous to the company. If additional products could be loaded on each truck, that would result in fewer trucks on the highways. He added his appreciation for the Department's freight study underway.

Chairman Whitehead thanked Messrs. Kempel and Hansen for their remarks.

GARVEE Program Overview. GARVEE Program Manager Amy Schroeder summarized the GARVEE bonding legislative authorizations to date, including six funding authorizations totaling \$840 million plus interest. Staff is proposing additional scope to construct frontage roads in the US-95, Garwood to Sagle corridor, and a funding option to address cash flow and long-term payout of right-of-way contingencies.

Strategic Funding Specialist Dave Tolman provided a funding analysis and various funding scenarios for the SH-16, Junction I-84 to Emmett project. The proposals include utilizing bonds and/or federal formula funds.

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

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the ITB12-16 timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 grants authority to the Board to determine the scope of the projects within the approved corridors; and

WHEREAS, Idaho Code 40-315 authorizes the Board to take into consideration whether a project is necessary to facilitate traffic flow and improve safety for the traveling public; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GARVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects, including:

US-95, Garwood to Sagle

US-95, Worley to Setters

SH-16 Extension, I-84 to South Emmett

I-84, Caldwell to Meridian

I-84, Orchard to Isaacs Canyon

US-30, McCammon to Soda Springs; and

WHEREAS, the US-95 Granite Area frontage roads were identified in the Environmental Impact Statement and are a permanent feature of the corridor; and

WHEREAS, including additional US-95 Granite Area frontage roads in the Granite Area will consolidate access.

NOW THEREFORE BE IT RESOLVED, that the Board approves additional frontage roads in the Granite South project of the US-95, Garwood to Sagle corridor for an estimated cost of \$4.6 million to be funded with bond savings within that corridor.

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

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the ITB12-17 timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 directs the Board to consider the cost of the projects and whether or not the project could be funded without GARVEE bonding; and

WHEREAS, Idaho Code 40-315 directs the Board to balance and coordinate the use of bonding with the use of highways construction funding; and

WHEREAS, right-of-way contingencies have been identified in the US-95, Garwood to Sagle; SH-16, Junction I-84 to SH-44; I-84, Caldwell to Meridian; and I-84, Orchard to Isaacs Canyon corridors; and

WHEREAS, the timing of payments and settlements may be delayed such that they impact the cash flow and payout schedule of the GARVEE bonds; and

WHEREAS, the Idaho Transportation Investment Plan has funding available.

NOW THEREFORE BE IT RESOLVED, that the Board approves funding approximately \$9.6 million of Highway Program funding for right-of-way contingency in the US-95, Garwood to Sagle; SH-16, Junction I-84 to SH-44; I-84, Caldwell to Meridian; and I-84, Orchard to Isaacs Canyon corridors.

See later minute entry.

Vice Chairman Coleman discontinued participation in the meeting at this time.

Monthly Financial Statements. Controller Gordon Wilmoth said the FHWA Indirect Cost Allocation revenue through March was \$27,098,000, which exceeded the projected amount by \$5,548,000. Revenue from the Equipment Buy Back program was \$889,000, which was the projected amount. Miscellaneous state funded revenue of \$25,124,800 was \$1,372,500 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$135,880,000. The projected revenue was \$136,435,000. Revenue from the ethanol exemption elimination was \$11,690,000, which was 4.5% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$1,201,200, or \$35,700 below the forecast. Controller Wilmoth added that there was a \$1,000,000 deposit variance in March.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$172,501,700, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,466,500 of the \$9,200,000 available.

Acting Manager, Transportation Investments John Krause reported that net cumulative obligations were \$223,200,000 as of April 30, of which \$231,500,000 had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$265,900,000. Net cumulative obligations are 34% higher than April's historical trend of \$166,400,000.

District 5 Report. District 5 Engineer (DE) Ed Bala said the highway expenditure priorities in 2012 were pavement, safety, and bridges. Some of the efforts to improve safety include prioritizing safety projects based on corridor plans and using durable pavement markings. The District completed 75% of its guardrail projects and repaired 100% of its signs within the identified time frame. To address mobility and enhance economic opportunities, more communication was held with stakeholders impacted by projects, the storm index was utilized, and the District is being more sensitive to its customers and their needs as plans are developed for projects. Lanes will be wider to ensure passage of wide loads and construction will be minimized to reduce impacts to motorists.

DE Bala reported that 17 of the district's 21 projects were submitted on time. The District achieved a storm index of .13 winter level of service, which was within the established goal of .4 or less. The District's deficient pavement is 13%, which met the goal of 15% or less. Some of the efficiency measures include using technology more to prepare for and address winter storms, cross-utilization of employees, and a pilot project on purchasing commodities.

Winter Maintenance Operations. DE Bala summarized the winter maintenance operations, highlighting the importance of staff and equipment. Not only do maintenance employees work weekends, nights, and holidays to ensure the roads are safe and traversable, they also develop innovations to improve performance, such as plow pressure limiters. The maintenance crews responded to 183 storm events last winter and, on average, plow 140,000 miles annually. One of the changes is to watch the forecast and use pre-treatment to prevent ice on the roadways. The District is still developing its procedures; however, slide-offs were reduced 40% and mobility was increased.

Member Gagner commended DE Bala and his staff for their innovation and performance. Chief Operations Officer Paul Steinman noted that District 5's data and procedures are being shared with the other Districts. CE Cole added that ITD was asked to present its winter maintenance operations at the Western Association of State Highway and Transportation Officials' annual conference this summer.

Chairman Whitehead thanked DE Bala for his presentations and for his excellent service. Member Horsch added his appreciation to DE Bala for the assistance and support he provides.

Executive Session on Personnel and Legal Issues. Member Gagner made a motion to meet in executive session at 11:40 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b), (c), and (f). Member Vassar seconded the motion and it passed 4-0 by individual roll call vote.

Vice Chairman Coleman participated in the rest of the meeting via teleconference.

A discussion was held on legal and personnel matters.

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

GARVEE Program, Revisited. Member Gagner noted the only project left to construct in the fixed-scope program is the extension of SH-16 south. Member Gagner made a motion to approve the resolution to revoke resolution number ITB12-11 approved in April 2012; to use approximately \$40 million in additional bonds to fund SH-16, including a portion of right-of-way acquisition and construction; to authorize staff to fund debt service for legislative authorizations granted as of FY12; and to approve the GARVEE FY12 Updated Working Plan Summary. Member Gagner added that this

plan completes the fixed scope while providing flexibility with federal formula funds. Member Vassar seconded the motion.

Member Kempton made a motion to amend the resolution to remove approval of the Working Plan. He believes the Working Plan should be considered under a separate motion. Member Vassar concurred and the following resolution was approved unanimously:

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the
ITB12-18 timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 directs the Board to consider the cost of the projects and whether or not the project could be funded without GARVEE bonding; and

WHEREAS, Idaho Code 40-315 directs the Board to balance and coordinate the use of bonding with the use of highways construction funding; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GARVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects, including:

US-95, Garwood to Sagle

US-95, Worley to Setters

SH-16 Extension, I-84 to South Emmett

I-84, Caldwell to Meridian

I-84, Orchard to Isaacs Canyon

US-30, McCammon to Soda Springs; and

WHEREAS, construction of SH-16 is the final project identified in current funding authorizations and completes the Fixed-Scope GARVEE Program; and

WHEREAS, the Board approved the use of formula funding for the first phase of SH-16 at the April 2012 Board meeting; and

WHEREAS, the Board has balanced the use of bonding with the use of highways construction funding for all three construction phases of the SH-16 project.

NOW THEREFORE BE IT RESOLVED, that the Board approval of the use of formula funding for the first phase of SH-16 construction with Board Resolution ITB12-11 is REVOKED and WITHDRAWN; and

BE IT FURTHER RESOLVED, that the Board approves the sale of approximately \$40 million additional bonds to fund the remaining SH-16 right-of-way acquisitions of \$3.2 million and partial funding of the remaining SH-16 construction and all related services of \$36.7 million; and

BE IT FURTHER RESOLVED, that the Board directs staff to fund debt service for legislative authorizations granted as of FY12.

Member Kempton made a motion to approve the GARVEE Fiscal Year 2012 Updated Working Plan Summary (May 2012 Option 1B), which is on file in the GARVEE Program Office, a copy of which has been provided to the Board. Member Vassar seconded the motion and it passed unopposed.

Member Vassar noted that additional formula funds are available due to the action to use bonds for the SH-16 project. She asked about potential projects to fund with that money. Chairman Whitehead said prioritizing additional projects will be discussed at next month's workshop.

New Business. Vice Chairman Coleman made a motion, seconded by Member Gagner, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the staff of the Idaho Transportation Department has received an
ITB12-19 offer to settle the case of *State v. Brandon D. Johnson* for \$550,000.00;
and

WHEREAS, this total settlement in the amount of \$550,000.00 is just compensation for the property taken for right-of-way acquisition in the US-95, Garwood to Sagle project in Kootenai County.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board hereby approves a settlement in the amount of \$550,000.00 as just compensation for acquisition of the real property taken in the case of *State v. Brandon D. Johnson*.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 1:30 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
June 15, 2012
Boise, Idaho

SPECIAL SESSION OF THE IDAHO TRANSPORTATION BOARD

May 11, 2012

Idaho Transportation Board Chairman Jerry Whitehead called a special session of the Idaho Transportation Board at 1:30 PM on Friday, May 11, 2012. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Julie DeLorenzo, Member – District 3
Dwight Horsch, Member – District 5
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

The following participated via teleconference or videoconference:

Janice B. Vassar, Member – District 2
Jim Kempton, Member – District 4
Lee Gagner, Member – District 6

GARVEE Program Overview and Options. GARVEE Program Administrator Amy Schroeder and Strategic Funding Specialist (SPS) Dave Tolman provided an overview on the federal GARVEE Program. To date, \$857,044,675, including interest, in bonding authorizations have been approved by the Idaho Legislature. As of December 2011, \$736,686,591 have been committed. Options to fund the SH-16, I-84 to South Emmett project; frontage roads in the US-95, Garwood to Sagle corridor; and right-of-way contingencies were presented utilizing bonds, federal formula funds, or a combination of those funding sources. Since 2009, the bonding philosophy has been to ensure there is a minimum of nine months' cash flow requirements on hand; award construction contracts in advance of securing bonds, or size the bonds based on the need; sell bonds within 90 days of exceeding \$25 million in cumulative contracts; and issue bonds based on the ability to meet the Internal Revenue Services' spend-down requirements.

Discussion followed on the funding options, including bonding the additional \$120 million authorized by the legislature. Some of the comments and concerns included uncertainty with future federal funds; because of the poor economy and good bids received recently, now is an opportune time to construct projects; which additional projects would be funded using either additional bond proceeds or formula funds; and additional state transportation revenue is needed.

WHEREUPON the special session of the Transportation Board adjourned at 3:25 PM.

signed

Jerry Whitehead, Chairman

Read and Approved
June 15, 2012
Boise, Idaho

Idaho Transportation Board

REGULAR MEETING AND DISTRICT TWO TOUR
OF THE IDAHO TRANSPORTATION BOARD

April 18-19, 2012

The Idaho Transportation Board met at 9:00 AM, on Wednesday, April 18, 2012, in Grangeville, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board

District 2 Tour. The Board met with Grangeville Idaho County Airport officials. County Commissioner James Rockwell provided an overview on the facility. The airport plan was recently updated and includes extending airspace to allow for runway modifications. A weather system was installed last year, which will assist with precision landings.

Commissioner Rockwell also summarized the county's surface transportation priorities: intersection improvements at US-95 and Day Road and either an overpass or underpass at US-95 and SH-13. In conclusion, he thanked the Board for visiting Grangeville.

Senator Sheryl Nuxoll and Representative Paul Shepherd joined the Board at Idaho Forest Group. Resource Development Manager Bill Higgins provided an overview on the company, which has five sawmills in Idaho, including the one established in Grangeville in 2006. He emphasized the economic importance of the mill to the community. Mr. Higgins and representatives from other area industries expressed support to transfer Old Highway 7 to the state's highway system. The businesses prefer that route from the north for commercial trucks versus SH-13. Preliminary discussions have been held on trading Old Highway 7 for SH-64. The business representatives stressed the importance of a good transportation system. The Board took an abbreviated tour of the lumber mill.

The group traveled north on Old Highway 7 and SH-162 to Kamiah. After lunch, the tour continued west on SH-64 and SH-62 to Craigmont. While traveling north on US-95 to Lewiston, the Board stopped to view seven bridges under construction as part of the Lapwai Creek Bridge Replacement project and the US-95 Spalding Interchange re-deck project.

WHEREUPON the tour recessed at 3:00 PM.

April 19, 2012

The Board reconvened at 8:30 AM on Thursday, April 19, 2012, at the Idaho Transportation Department District 2 Office in Lewiston, Idaho. All members were present. Deputy Attorney General Larry Allen was also in attendance.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on March 14, 2012 and the minutes of the special Board meeting held on March 23, 2012, as submitted. Vice Chairman Coleman seconded the motion and it passed unopposed.

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

May 15-16, 2012 – District 5
June 13-15, 2012 – District 3
July 18-19, 2012 – District 1

Consent Calendar. Member Gagner made a motion, seconded by Member Horsch, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB12-10 has received and reviewed the contract award information and the professional services agreements and term agreement work task report.

1) Contract Awards. Keys #12950, #12951, and #12952 – US-95, Lewiston Interchange #312, Southbound Ramp Overpass; Lewiston Interchange #312, Northbound Ramp Overpass; and Washington Interchange #318 Ramp, District 2. Low bidder: Penhall Company - \$446,808.

Key #12002 – SH-162, Red Rock Road to Kamiah, District 2. Low bidder: Knife River Corporation – Northwest – \$2,364,410.

Key #11572 – US-95, Smokey Boulder Road to Hazard Creek Bridge, District 3. Low bidder: Valley Paving & Asphalt, Inc. - \$1,792,662.

Key #12926 – I-184, Flying Wye to Main Street, Boise, District 3. Low bidder: Penhall Company - \$919,045.

Keys #12922, #12923, #12924, and #12925 – FY12 District 3 Residency 1 Sealcoats; Orchard Avenue to Junction I-84; FY12 Elmore County Sealcoats; and Junction US-95 to Junction SH-72, District 3. Low bidder: Sierra Nevada Construction Inc. – \$2,824,007.

Keys #11566 and #13019 – US-95, Wilder South City Limits to Parma South City Limits, Canyon County; and Parma North City Limits to Junction I-84, District 3. Low bidder: Staker & Parson Companies dba Idaho Sand & Gravel - \$5,698,533.

Keys #11609 and #12075 – I-84B and I-84, Snake River Heyburn Bridge, Heyburn; and Junction I-84 South Jerome Interchange #168, District 4. Low bidder: Cannon Builders, Inc. – \$548,501.

Key #7699 – SH-75, Shoshone, North, District 4. Low bidder: Staker & Parson Companies dba Idaho Sand & Gravel - \$13,165,612.

Key #12956 – I-84, Snake River Overpass Westbound, Near Glenns Ferry, District 4. Low bidder: Cannon Builders, Inc. - \$1,198,582.

Keys #9527 and #11610 – I-84 and US-93, Perrine Coulee Canal and Bike Path and District 4 Interstate Bridge Repair. Low bidder: Idaho Construction Company, Inc. - \$565,173.

Key #11629 – SH-37, Lowery Lane to Portage Canyon, South of Rockland, District 4. Low bidder: Mickelsen Construction Company, Inc. - \$786,942.

Key #11122 – US-91, Blackfoot North to Bonneville County Line, District 4. Low bidder: Mickelsen Construction Company, Inc. - \$711,977.

Key #11137 – I-15 and I-86, FY12 District 5 Sign Upgrades. Low bidder: Pavement Markings Northwest, Inc. - \$952,983.

2) Professional Services Agreements and Term Agreement Work Task Report. From February 27 through March 30, \$4,476,267 in new professional services agreements and work tasks were processed. Three supplemental agreements to existing agreements were processed in the amount of \$66,250 during this period.

Board Items. Chairman Whitehead showed a video of relocating the Bucyrus-Erie B3 steam shovel from the URS Plaza to the ITD Headquarters on March 24. He expressed appreciation to all of those involved, including a number of Headquarters and District 3 employees and Inland Crane for donating its services.

Chairman Whitehead reviewed the Board subcommittee assignments. He appointed Member Kempton to the Audit Subcommittee. Members Gagner and Horsch will serve on the Subcommittee on State Highway System Adjustments. The Subcommittee on the Enhancement Program will be disbanded. He would like to revisit the Board Subcommittee on Performance Management and consider realigning it to focus on the Strategic Plan. Members Kempton and Vassar were asked to establish a Subcommittee on Board Policies to review all of the existing policies, with assistance from DAG Allen. He asked Member DeLorenzo to join Vice Chairman Coleman and Member Gagner on the Access Management Subcommittee. Members Horsch and Vassar were asked to participate on the Freight Study with Chairman Whitehead.

Director's Report. Director Ness summarized various meetings he participated in during the past month, including with Idaho State Police to discuss highway safety and coordinating the two department's strategic plans; Capital for a Day in Garden Valley; and internal discussions on enhancing transportation revenues. He said President Obama signed a 90-day extension of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users, resulting in federal funding continuing at the current levels through June 30, 2012.

Director Ness said ITD was recognized for its assistance with various issues. The Department of Administration appreciated assistance with consolidating state records; the Independent Highway District in Sandpoint thanked District 1 for helping the local entity convert to brine as an anti-icing agent; and the City of Orofino expressed appreciation to Member Vassar and District 2 Engineer (DE) Jim Carpenter for their support and service. Additionally, Sandra Healy from Internal Review earned her certification as a Government Financial Manager.

Director Ness intends to begin his annual meetings with all employees later this month. This year's employee meetings will focus on implementation of the Strategic Plan, the Organizational Culture Survey, and state and federal transportation revenue.

Chief Deputy (CD) Scott Stokes reported that Governor Otter signed an emergency declaration for four north Idaho counties due to flooding. Overall, the damage is minor.

CD Stokes provided an update on performance measures. Year-to-date, the number of highway fatalities has increased from last year. It appears impaired driving has increased significantly. Additionally, three pedestrians and one bicyclist have been killed to date, where as last year at this time, there were no fatalities in those categories. A safety summit is scheduled in early May, which will provide an opportunity for ITD to discuss these issues with its partners. Some of the performance measure highlights include the average title processing time decreased from 7 days in 2010 to 6 days in 2011; the number of Division of Motor Vehicles transactions processed on the Internet increased from 191,800 in 2010 to 210,900 in 2011; the percent of pavement in good or fair condition increased from 84% in 2010 to 87% in 2011; and the bridges in good condition increased from 73% to 74%.

Legislative Report. Government Affairs Manager (GAM) Mollie McCarty summarized transportation-related legislation from the 2012 session. ITD's FY13 appropriation is \$532,184,600 with 1,827.5 full-time equivalent positions. Some of the new laws impacting the Department include codifying designation of ITD as the recipient of Federal Transit Administration funding, returning authority to set speed limits on state highways within city limits to ITD, allowing for access rights to property owners with easements, and creating an Online Insurance Verification Program.

Chairman Whitehead thanked GAM McCarty for the report.

Adopt-A-Highway Presentation (AAH). Member Vassar thanked the Orofino Rotary Club for its participation in the AAH Program. The group has been picking up litter along SH-7 since 1997.

Transportation Performance Update (Public Transportation Advisory Council (PTAC) District 2 Update and I-way Leadership Award). Program Planning and Development Specialist (PP&DS) Maureen Gresham highlighted Lewiston's Safe Routes to School Program. It increased the number of students walking or biking to school by 40% and improved safety for the users. A number of partners were instrumental in the program's success. In District 2, 3,655 persons walk to work, or 17% of the state population that walks to work, ranking 3rd among all of the Districts. Additionally, 800 people bike to work, which is 10% of the state population that bicycles to work, ranking the District second. PP&DS Gresham also reported on some local initiatives to

improve and expand opportunities for bicyclists and pedestrians, including installing Americans with Disabilities Act-pedestrian curb ramps and Kooskia's investment in sidewalks.

District 2 Mobility Manager John Murray stressed the importance of transit and mobility options. District 2 PTAC Member Carl Root emphasized the importance of partnerships to address transit needs. He provided an overview on the transit services available in District 2. Dial-a-ride service is now available out of Riggins. The University of Idaho and City of Moscow anticipate constructing a multi-modal transportation center this year.

Member Vassar commended the local communities for their efforts to improve and expand transportation options.

Member Gagner questioned the spike in the operating costs of Northwest Trailways to approximately \$24 per passenger and COAST's increase from \$10 to almost \$20. Mr. Murray replied that rural providers' costs will always be significantly higher than urban providers' costs. Member Vassar added that District 2 has a high percentage of elderly and low-income citizens. Transportation is vital to their health and quality of life.

Mr. Murray and Member Vassar presented the Community Transportation Association of Idaho I-Way award to recognize leadership and innovation in the effective coordination of mobility options. Shannon Grow accepted the award on behalf of Lewiston Transit for its efforts to leverage funds, explore alternative funding options, pursue partnerships, and expand service.

Idaho Moves Freight. PP&DS Gresham said key elements of the Idaho Freight Study and Idaho Rail Plan update include understanding local needs. She invited Dave Jordan, Vice President of Distribution with Clearwater Paper Corporation, to elaborate on the Lewiston company's freight issues.

Mr. Jordan said the company employs 1,300 at its Lewiston facility, where it manufactures consumer products and pulp and paperboard products. With close to 42,000 shipments last year, transportation is vital to the company. Although the vast majority of shipments were via highway, rail and barge are also used extensively.

Mr. Jordan said their biggest issue is truck size and weight. If trailers were 4 inches longer, another pallet could be loaded on the trailer. This would result in 2,600 fewer truck loads. Additionally, heavier loads of 97,000 pounds would eliminate 3,600 trucks from the Lewiston facility. Not only would this be a significant savings to the company, but it would also be better for the economy and reduce highway congestion.

Some Board members expressed support to increase truck size and weight, with Member Kempton noting that as a legislator, he proposed legislation to increase truck size and weight. Vice Chairman Coleman added that an additional axle would be required if truck weights are increased, so the heavier weights should not damage the roadways. Chairman Whitehead added his support for the proposal and thanked Mr. Jordan for his presentation.

ITD/National Police Agency of the Republic of Korea Reciprocal Memorandum of Understanding (MOU). Driver Services Manager Ed Pemble said a recently-signed MOU with the National Police Agency of the Republic of Korea will make it easier for citizens from Idaho residing in Korea and Korean citizens residing in Idaho to obtain their driver's license. The reciprocal agreement provides that when a Korean citizen with a Korean driver's license applies for an Idaho driver's license, or when an Idaho citizen with an Idaho driver's license applies for a Korean driver's license, the skills test will be waived without further driver's education. All other requirements will still apply. The agreement applies to drivers age 18 or older and does not apply to making application to operate a commercial motor vehicle or motorcycle. Additionally, a skills test and/or medical documentation attesting to physical or mental capabilities may be required in situations where the driver's license examiner has cause to believe the person is not physically or mentally qualified to operate a motor vehicle.

GARVEE Program Overview. GARVEE Program Manager (GPM) Amy Schroeder presented an update on the GARVEE Program. Three of the six corridors have been completed: US-95, Worley to Setters; I-84, Caldwell to Meridian; and I-84, Cole to Broadway. The US-30, McCammon to Lava Hot Springs improvements should be completed this year and the US-95, Garwood to Sagle corridor in 2013. Construction on the SH-16, Junction I-84 to SH-44 corridor is scheduled to begin next month. To date, \$728 million in contracts have been let, with \$658 million expended. She added that approximately \$71 million in savings have been identified.

Strategic Funding Specialist (SFS) Dave Tolman proposed a funding plan utilizing programmed debt service savings. This would eliminate the need for additional bonds. To date, five bond series totaling \$737 million have been issued at an average interest rate of 4.55%. The annual debt service payment is \$50 million. Costs to complete right-of-way acquisition plus an allowance for contingencies and for the SH-16 construction are estimated at \$49.5 million. SFS Tolman said the Department has unneeded programmed debt service from federal FY12 and FY13 in the amount of \$43.5 million. Additionally, staff identified \$6 million in FY13 formula funds that are available through program balancing. If these funds, totaling \$49.5 million, are used for the right-of-way acquisition and contingency and SH-16 construction, an additional \$3.7 million per year in debt service would be avoided and \$21 million in interest would be saved over 18 years. SFS Tolman indicated that no projects would be canceled or delayed to fund this proposal.

Member Gagner made a motion, seconded by Member Vassar, to approve the following resolution:

WHEREAS, the Idaho Transportation Board is charged with determining the timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GARVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects, including the following:

- US-95, Garwood to Sagle
- US-95, Worley to Setters
- SH-16, Extension, I-84 to South Emmett
- I-84, Caldwell to Meridian
- I-84, Orchard to Isaacs Canyon
- US-30, McCammon to Soda Springs; and

WHEREAS, a risk assessment has been performed and budgets have been reviewed; and

WHEREAS, bid savings are available program-wide; and

WHEREAS, the formula program has funds available to pay for specific remaining project phases.

NOW THEREFORE BE IT RESOLVED, that the Board approves funding for the SH-16 construction projects and right-of-way contingency with the formula program; and

BE IT FURTHER RESOLVED, that the Board approves the GARVEE FY12 Updated Working Plan Summary (April 2012 version), which is on file in the GARVEE Program Office, a copy of which has been provided to the Board.

Member Kempton questioned the two separate items in the resolution and suggested acting on the funding of the SH-16 construction project and right-of-way contingency separately from the request to approve the Updated Working Plan Summary. Member Kempton made an alternate motion to divide the two issues.

Member Gagner noted that a later presentation focuses on funding the FY13-17 Highway Investment Program. He suggested new information may be provided that could impact the Board's decision on the GARVEE Program.

Vice Chairman Coleman said he has concerns with this proposal. He asked which projects in the Program will not be funded if federal formula funds are used for the GARVEE Program. He added that he believes the time is right to issue bonds because the Department is receiving good bids, lower than the engineer's estimate, and it would help the economy.

Member Vassar said she would like to hear the FY13-17 Highway Investment Program funding presentation before acting on the GARVEE Program.

Member Kempton withdrew his motion.

Member Horsch made a substitute motion to table the GARVEE Program item. Member Gagner seconded the motion and it passed unopposed. (See later minute entry.)

Monthly Financial Statements. Controller Gordon Wilmoth said the Federal Highway Administration Indirect Cost Allocation revenue through February was \$25,929,000, which exceeded the projected amount by \$7,279,000. Revenue from the Equipment Buy Back program was \$889,000, which was the projected amount. Miscellaneous state funded revenue of \$22,352,974 was \$1,852,757 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$122,579,000. The projected revenue was \$121,688,000. Revenue from the ethanol exemption elimination was \$10,583,000, which was 4.6% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$1,097,900, or \$25,300 below the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$171,935,800, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,336,400 of the \$9,200,000 available.

Manager, Transportation Investments Dave Amick (MTI) reported that net cumulative obligations were \$195.2 million as of March 31, of which \$203.4 million had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$231.8 million. Net cumulative obligations are 57% higher than the historical trend of \$124.4 million for March.

Funding for FY13-17 Highway Investment Program Update. Chief Operations Officer (COO) Paul Steinman said historically, District funding targets have been used: 1/3 of funding was distributed based on the total lane miles in each District; 1/3 of funding was based on the total percent of deficient roads in the District; and 1/3 of the funding was based on vehicle miles of travel. Starting in FY17, the Idaho Corridor Analysis and Planning System will be utilized. Corridors will be prioritized based on their significance. Data will be collected and analyzed by Headquarters' staff. Projects will be recommended for funding based on a statewide system, using economic opportunities and safety as key factors. Districts will assess the information and make recommendations. The Board will have final approval of the projects.

COO Steinman outlined the future revenue assumptions, including federal highway funding will continue at FY11 levels and the existing federal project-funding eligibilities will remain in a future highway act. The projected federal funds for the FY13-FY17 program average \$282.6 million and state projections are \$24.8 million per year. The annual project cost inflation rate is estimated at 2%, which is a reduction from the current 5% inflation rate. The GARVEE debt service is reduced to support the currently-authorized \$855 million level. A lower debt service can be attained if the SH-16 GARVEE projects are funded with federal formula funds and GARVEE bid savings. The new GARVEE funding proposal would result in GARVEE debt service reductions allowing \$14 million in program funds to be redirected annually to bridges in FY15 through FY17. It would complete existing partially-funded projects with an annual \$20 million balance of funding in FY13 through FY16.

Member Gagner expressed support for the data-driven method to select and prioritize projects.

Member Horsch asked if there is a deadline to issue the bonds that have already been authorized by the legislature. DAG Allen replied that there is no time constraint; however, the annual debt service cannot exceed 30% of federal funds. Some concern was expressed that the federal funds will decrease. GPM Schroeder confirmed that the Department can bond up to \$855 million without exceeding the 30% limit, even if the amount of federal funds ITD receives is reduced by 30%.

Member Vassar referenced Vice Chairman Coleman's comment that he believes the timing is right to issue more bonds because of the current state of the construction industry and to help the economy. COO Steinman cautioned that the future federal funding levels are not known. Although he acknowledged the good bids that have been realized recently, that could change.

Vice Chairman Coleman concurred that the uncertainty with federal funding is a key factor. He also believes construction costs will increase and questioned the merits of bonding now.

Director Ness believes issuing bonds now may be advantageous because of the low interest rates; however, he supports a cautious approach because of the uncertainty with federal funds, noting some Congressional proposals reduce funding. He believes utilizing savings and some federal formula funds for the GARVEE Program will make money available for other needs, plus the Department would have more flexibility to address those needs.

Some discussion was held on delaying this item until June, after the workshop. CD Stokes said the delay may be a concern for the Idaho Housing and Finance Association (IHFA). GPM Schroeder added that the process to sell bonds takes about 90 days and a resolution needs to be passed by IHFA to make these costs eligible for bond proceeds. Additionally, the second SH-16 bid package is expected to be advertised in May, which would exceed the bonding risk allotment of \$25 million that has been previously approved by the Board.

Vice Chairman Coleman suggested funding the first phase of the SH-16 project with savings and formula funds, with the option of bonding for the other phases later.

In response to Member Horsch's question on the status of the SH-16 project, COO Steinman said staff is reviewing the low bid and anticipates breaking ground on the project next month.

Member Gagner expressed support to use savings and formula funds for the first phase of the SH-16 project. Vice Chairman Coleman expressed concern with utilizing federal formula funds, particularly because none of the GARVEE corridors are being completed; however, he would support that proposal today if there is a future discussion on the additional bonding authority.

Member Horsch made a motion to take the previous motion, which tabled the GARVEE Program item, off the table. Vice Chairman Coleman seconded the motion and it passed unanimously.

Vice Chairman Coleman made a motion, seconded by Member Vassar, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board is charged with determining the
ITB12-11 timeframe and scope of improvements for the state transportation system; and

WHEREAS, Idaho Code 40-315 authorizes federal-aid debt financing through the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds by the Idaho Housing and Finance Association for highway transportation projects; and

WHEREAS, legislative appropriations enacted in 2006, 2007, 2008, 2009, 2010, and 2011 authorized the issuance of GARVEE bonds; and

WHEREAS, the Board is granted the statutory responsibility and duty to allocate GARVEE bond proceeds among legislatively authorized projects, including the following:

- US-95, Garwood to Sagle
- US-95, Worley to Setters
- SH-16, Extension, I-84 to South Emmett
- I-84, Caldwell to Meridian
- I-84, Orchard to Isaacs Canyon
- US-30, McCammon to Soda Springs; and

WHEREAS, a risk assessment has been performed and budgets have been reviewed; and

WHEREAS, bid savings are available program-wide; and

WHEREAS, the formula program has funds available to pay for specific remaining project phases.

NOW THEREFORE BE IT RESOLVED, that the Board approves funding the first phase of the SH-16 construction projects and right-of-way contingency with the formula program.

Member Gagner questioned the impact of not approving the GARVEE FY12 Updated Work Plan Summary. GPM Schroeder said the Working Plan only includes partial funding of \$6.8 million for the SH-16 project, while the low bid for Phase I is \$19 million. The Working Plan Summary also detailed the specific right-of-way amounts that are proposed to be funded with the Federal Formula Program. In response to Vice Chairman Coleman's question on whether federal formula funds are available for the SH-16 Phase I project, GPM Schroeder replied yes.

The motion passed unanimously.

FY12-16 Forest Highway Program Changes. The Tri-Agency Group, comprised of ITD, the U.S. Forest Service, and the Western Federal Lands Highways Division of FHWA, met recently to update the Idaho Forest Highway Program. The average annual funding for this Program is close to \$14 million with a 100 percent federal share.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department

ITB12-12 to publish and accomplish a current, realistic, and fiscally constrained five-year Transportation Investment Program; 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 minimum four-year period be provided in a federally-approved statewide transportation improvement program; and

WHEREAS, the Tri-Agency met on February 7, 2012 to update the Idaho Forest Highway Program; and

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

WHEREAS, the average annual funding for the program is approximately \$13.9 million with a 100 percent federal share based on FY09 of SAFETEA-LU; and

WHEREAS, the minutes of the February 7, 2012 Tri-Agency meeting include the revised FY12-16 Forest Highway Program; and

WHEREAS, projects have been identified that will advance and be added to utilize funding in FY12-16.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes staff to advance and add projects from the list entitled "Current ITIP Changes", as shown as Exhibit 414, which is made a part hereof with like effect, to the current FY12-16 Idaho Transportation Improvement Program; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the federally approved FY12-16 ITIP in accordance with the provisions of SAFETEA-LU.

Executive Session on Personnel and Legal Issues. Member Vassar made a motion to meet in executive session at 12:40 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member Kempton seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on legal and personnel matters.

The Board came out of executive session at 2:35 PM. No final actions or decisions were made.

Advance STC-2841, City of Rocks Back Country Byway Stage 5, Cassia County, Key #13081, to FY12 in the ITIP. DE4 Devin Rigby provided historical background on the recent addition of the City of Rocks Back Country Byway to the state highway system. The road had been improved with federal discretionary funding. An earmark of \$1.96 million was allocated to this route in 2009; however, it expires September 30, 2012. The federal share is 100%. DE4 Rigby requested advancing the overlay project on 10 miles of SH-77 Spur. The District will also add signs, delineators and some guardrail.

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

RES. NO. ITB12-13 WHEREAS, it is in the public's interest for the Idaho Transportation Department to publish and accomplish a current, realistic, and fiscally constrained Transportation Investment Program; and

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

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) requires that priority list of projects covering a four-year period be provided in a statewide transportation improvement program; and

WHEREAS, the Board approved the addition of the City of Rocks road to the state highway system in December 2011; and

WHEREAS, the Department received an FY09 100% federal share Public Lands Discretionary allocation of \$1.96 million under the 2009 Appropriations Act for the City of Rocks Back Country Byway; and

WHEREAS, the 2009 Public Lands Discretionary allocation will expire on September 30, 2012; and

WHEREAS, the Department will be able to use the Discretionary allocation to make improvements to the City of Rocks road bringing its condition closer to state standards; and

WHEREAS, the plans for constructing this project can be made ready for advertisement as early as June 1, 2012.

NOW THEREFORE BE IT RESOLVED, that the Board approves advancing key #13081, STC-2841 City of Rocks Back Country Byway Stage 5, Cassia County from FY13 to FY12 of the Highways Program in the FY12-16 Idaho Transportation Investment Program (ITIP); and

BE IT FURTHER RESOLVED, that staff is authorized to include the above project change in the federally approved FY12-16 ITIP in accordance with the provisions of SAFETEA-LU.

Addition of I-84, 850 West Road Underpass Bridge Repair to the ITIP. DE4 Rigby said the I-84, 850 West Road underpass has been closed to traffic since December when a collision occurred. An over-extended arm of an excavator struck three of the four girders as it passed beneath the structure on a flat-bed trailer. Two of the three damaged girders have to be replaced. ITD is working with the truck owner's insurance company to cover the damage to the bridge structure, estimated at \$238,000. DE4 Rigby requested the addition of the I-84, 850 West Road Underpass Bridge Repair project to FY12 of the Bridge Program. The District has identified current state-funded program savings to cover the cost of the project with the assumption that the insurance claim will reimburse the Department within one year.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation
Department
ITB12-14 to publish and accomplish a current, realistic, and fiscally constrained five-year
Transportation Investment Program; and

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

WHEREAS, the westbound bridge of the I-84, 850 West Road Underpass was struck by an excavator that extended above the 16.5-foot legal limit; and

WHEREAS, the District Design and Headquarters' Bridge Sections have developed plans to repair the bridge at the estimated cost in State funds of \$238,000; and

WHEREAS, the Department anticipates reimbursement in state FY13 by the insurance carrier of the motorist who caused the damage to this structure.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of I-84, 850 West Road Underpass Bridge Repair to FY12 of the Idaho Transportation Investment Program for a total cost of \$238,000 in State funds.

Overview on Signs on the Highway System. Doug Freeman, District 2 Transportation Technician Senior, said federal law requires all states to provide continuing, effective control of outdoor advertising. Failure to comply may result in a ten percent reduction in Idaho's federal highway funds. He summarized the various types of signs allowed along highways and the sign application process. The Department also has oversight on junkyards and dumps within 1,000 feet of highways.

Chairman Whitehead thanked Mr. Freeman for the informative presentation.

Delegation – Port of Lewiston. Dave Doeringsfeld, Manager, Port of Lewiston, thanked the Board and Department for its assistance and support. He noted that although a significant number of large loads arrived at the Port recently, historically there have always been large loads coming through the Port and he assumes the Port will continue to receive large loads. The Port embarked on efforts to expand the dock in 2006. It was recently informed that the permits have been approved to proceed with this project. He believes construction on the \$2.9 million dock extension will commence next year. He also expressed concern with the surface transportation system in the vicinity of the Port. The city streets have a lot of truck traffic and are in need of improvements. In conclusion, Manager Doeringsfeld commended the Department for undertaking the Freight Study. He is participating in this valuable exercise.

Chairman Whitehead thanked Manager Doeringsfeld for his comments.

District 2 Report. DE2 Carpenter provided an overview on the recent contract changes for seal coat projects. The projects that included a warranty resulted in 1% of the surface failing to meet the warranty specification. The prior year, without the warranty, the failure rate was 30 to 40%. Preliminary results indicate that requiring a warranty does not cost more, although there are variables such as the location of the project and the price of asphalt.

District 2 is focusing on turn bay projects, rock fall mitigation, and hazardous tree removal to improve safety. The District's performance measures included delivering 100% of its FY12 projects by October 1. DE2 Carpenter reported that only 50% of the projects were delivered by October 1, although 100% of the projects were delivered by November 1. Additionally, 90% of the District's projects are currently within the goal of constructing within 105% of the bid amount. The District's pavement condition is 87%, exceeding the goal of 82%, and the average storm index for 2011-2012 was .4, while the goal was .5 to .7.

In conclusion, DE2 Carpenter reported that the Environmental Impact Statement for the US-95, Thorn Creek to Moscow project has been completed. It was submitted to FHWA and is expected to be signed in 30 to 60 days.

Member Vassar commended DE2 Carpenter for his leadership. She noted that he and his staff have excellent relationships with local entities. Chairman Whitehead thanked DE2 Carpenter for the report and for the hospitality during the Board's visit to District 2.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:45 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved

May 16, 2012
Pocatello, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

March 14, 2012

The Idaho Transportation Board met at 8:30 AM on Wednesday, March 14, 2012 at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Jim Coleman, Vice Chairman – District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
Lee Gagner, Member – District 6
Brian W. Ness, Director
Sue S. Higgins, Executive Assistant and Secretary to the Board
Larry Allen, Lead Deputy Attorney General

Chairman Whitehead welcomed Members DeLorenzo and Kempton to the Board.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on February 9, 2012 as submitted. Member Gagner seconded the motion and it passed unopposed.

Consent Calendar. Member Gagner made a motion, seconded by Member Vassar, and passed unopposed, to approve the following resolution:

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

ITB12-05 approves delaying Forest Highway 26, Warm Springs Realignment to FY13 of the Idaho Transportation Investment Program; removing Hailey Woodside Boulevard Sidewalk from FY12 of the Safe Routes to School Program; and removing STC-5723, Burma Road; SH-97 to Carlin Bay Road from FY12 of the Local Rural Program; and has received and reviewed the contract award information and the professional services agreements and term agreement work task report.

1) Delay Forest Highway (FH) 26/State Highway 75, Warm Springs Realignment, Keys #6493 and #6656, to FY13. The Tri-Agency, consisting of the U.S. Forest Service, the Western Federal Lands Highway Division, and ITD, programmed FH-26/SH-75, Warm Springs Realignment in FY12 for \$13.3 million for construction. Forest Highways is committing \$9 million and ITD \$4.3 million of federal formula funds. The project will not reach the milestone of Plans, Specifications, and Estimates

in FY12, so the Tri-Agency group is requesting delaying this project from FY12 to FY13 in the Idaho Transportation Investment Program (ITIP). District 4 will advance the \$4.2 million pavement preservation project, SH-24, Minidoka County Line to Sids Road, Lincoln County, key #11607, from FY13 to FY12 to balance federal formula funding.

2) Removal of Hailey Woodside Boulevard Sidewalk, Key #12087, from FY12 of the Safe Routes to School Program. This sidewalk construction project was programmed for \$90,000 in FY12 of the infrastructure portion of the Safe Routes to School Program. The City of Hailey is declining this funding because its federal Transportation Investment Generating Economic Recovery grant will fund this work. On behalf of the City of Hailey, staff requests the removal of the Hailey Woodside Boulevard Sidewalk project from the Safe Routes to School Program.

3) Removal of STC-5723, Burma Road; SH-97 to Carlin Bay Road, Key #12314, from FY12 of the Local Rural Program. This project was originally scheduled in preliminary development for \$4.5 million to accommodate limited funding within FY12. The Local Highway Technical Assistance Council (LHTAC) has utilized savings from other projects to fund the scope on the FY12 reconstruction of STC-5723, Burma Road; Gotham Bay Road to SH-97 project. Consequently, LHTAC requests that this stage be removed from the Surface Transportation Program Local Rural Program to utilize its development costs elsewhere in FY12.

4) Contract Awards. Key #13021 – SH-16, Intersection SH-44 to Emmett, District 3. Low bidder: Central Paving Company, Inc. - \$2,460,657.

Key #11046 – SH-55, Snake River Bridge to Pride Lane, Canyon County, District 3. Low bidder: Knife River Corporation – Northwest - \$933,333.

Key #11064 – I-84, Interchange #3 Passing Under US-95, District 3. Low bidder: Cannon Builders, Inc. – \$763,290.

Key #13088 – US-20, FY12 District 4 Districtwide Guardrail Update. Low bidder: Marcon, Inc. - \$86,683.

Key #12927 – I-84, King Hill to West Bliss, District 4. Low bidder: Emery, Inc. - \$707,435.

The low bid on key #11603 – US-30, Shoshone Area West, was more than ten percent over the engineer's estimate, requiring justification. The major differences between the low bid and engineer's estimate were in the Special Seal Coat, Special Flagging

for Seal Coat, and Special Traffic Control Maintenance items. Staff believes the differences may be due to new construction procedures and warranty specifications. Staff does not believe that re-advertising will result in better bids. Low bidder: Knife River Corporation - Northwest - \$1,260,586.

Key #12865 – SH-22 and I-15, Junction I-15 Overpass Interchange #167, Dubois, District 6. Low bidder: Western Construction, Inc. - \$4,376,376.

Key #12117 – SH-33 and SH-48, FY12 District 6 Intersection Improvements. Low bidder: H-K Contractors, Inc. - \$785,556.

5) Professional Services Agreements and Term Agreement Work Task Report. From January 26 through February 24, \$2,601,570 in new professional services agreements and work tasks were issued. One supplemental agreement to an existing agreement was processed in the amount of \$341,500 during this period.

Board Items. Chairman Whitehead met with numerous groups and individuals to discuss various transportation issues. He mentioned the passing of Scott Brown, who was instrumental in donating an old steam shovel to ITD. Chairman Whitehead expressed appreciation for Mr. Brown's efforts.

Director's Report. Director Ness welcomed Members Kempton and DeLorenzo to the Board and said he and ITD staff members are looking forward to working with them.

Some of his activities during the past month included meetings with other state agencies, local entities, and the Idaho Trucking Association; and participating in the Governor's Capital for a Day, a highway safety conference with various partners, and in a public television broadcast focusing on Idaho state employee compensation and the high turnover rate.

Director Ness said two District 4 employees were involved in a vehicle crash on US-93 late last month. Fortunately the ITD employees escaped serious injury when their vehicle was hit by a truck.

Legislative Report. Government Affairs Manager (GAM) Mollie McCarty provided an update on legislative activities. The Joint Finance and Appropriations Committee approved the ITD FY13 budget. ITD's proposal to codify designation of the Department as the recipient of Federal Transit Administration (FTA) funding has been signed into law. Some of the legislative proposals that staff is monitoring relate to the 129,000 pound pilot project, aviation land-use planning, access management and private property issues, speed limits, and license plates. Staff is providing assistance

with legislation allowing the Department of Parks and Recreation (IDP&R) to collect revenue for its state parks passport via vehicle registrations and allowing on-line insurance verification. GAM McCarty added that Member Kempton has been confirmed by the Senate and Member DeLorenzo's Senate confirmation hearing is scheduled on March 15.

Chairman Whitehead thanked GAM McCarty for the report and her efforts.

Monthly Financial Statements. Financial Manager Bryan Brown said the Federal Highway Administration (FHWA) Indirect Cost Allocation revenue through January was \$25,007,000, which exceeded the projected amount by \$7,207,000. Revenue from the Equipment Buy Back program was \$889,000, which was the projected amount. Miscellaneous state funded revenue of \$19,688,000 was \$1,318,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$106,023,000. The projected revenue was \$107,006,200. Revenue from the ethanol exemption elimination was \$9,305,400, which was 4.75% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$960,000, or \$36,000 below the forecast.

Total expenditures in the American Recovery and Reinvestment Act (ARRA) Title XII Fund for highway projects were \$171,579,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,182,700 of the \$9,200,000 available.

Manager, Transportation Investments Dave Amick reported that net cumulative obligations were \$169.4 million as of February 24, of which \$177.3 million had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$202.5 million. Net cumulative obligations are 52% higher than the historical trend of \$111.8 million for February.

Presentation – Future Cities. Erika Bowen, Planning and Program Management Manager, summarized the Future Cities competition. The national educational program for 6th through 8th grade students is run by volunteers to foster interest in math, science, and engineering. The competition consists of students designing a future city. This year's theme was "Fuel the Future". Teams were judged on four components: computer simulation, written essay, physical model, and an oral presentation. Additionally, ITD and LHTAC presented a special award for the Best Future City Project Charter. The Emmett Middle School team received this award.

The Emmett Middle School students provided an overview on their virtual city.

The Board thanked the students for the presentation and commended their innovative proposal.

Employee Service Awards. The Board participated in the Employee Service Awards. Vice Chairman Coleman provided remarks on behalf of the Board.

Annual Report on Audits. Internal Review Manager (IRM) Carri Rosti and staff members presented the annual report on audits, including internal and external audits performed in 2011, work planned for 2012, and the status of audit resolution. Some of the activities conducted last year included an audit of Division of Motor Vehicles' (DMV) Vehicle Services Section's internal controls, ITD's Consultant Agreements' Procedures, and follow-up reviews on right-of-way processes and the Advantage Financial Management system. A joint review was conducted with FHWA on ARRA projects and metropolitan planning organizations. Staff participated in an American Association of State Highway and Transportation Officials' technical committee to update consultant audit guidelines and develop training. Idaho was one of six states to pilot the training. The training was conducted in September and appeared to be very successful.

IRM Rosti said the 2012 work plan was established based on audit risk assessment and to meet the Director's commitment of accountability. Some of the specific activities planned include audits or reviews on internal controls and previous audit recommendations for the Motor Carrier Services Section, Business and Support Management's procurement responsibilities, FTA grant administration, and LHTAC's accounting and compliance.

Member Gagner asked about the process when concerns are identified. IRM Rosti replied that discussions are held with the appropriate employees and supervisors. Serious findings are reported to management. Some discussion followed on those procedures, particularly the process to notify the Board.

Chairman Whitehead thanked IRM Rosti and her staff for the informative report.

Quarterly Update – DMV Modernization Project. Motor Vehicle Administrator (MVA) Alan Frew provided background on the project underway to update the DMV computer systems. The project is being completed in four phases. During the past quarter, seven joint application development sessions were conducted; the 3M value master database was populated with DMV encrypted data; outreach with ITD's partners were conducted; and discussions on the schedule, staffing, and process streaming were held with the consultant, 3M.

Some of the activities underway or scheduled for the next quarter include continuing joint application development sessions, releasing the software update for the central issuance of drivers' licenses, continuing testing, and updating the schedule for Phase 3. MVA Frew noted that some of the challenges include the availability of resources for both ITD and 3M, ensuring there are adequate metrics in place to show the vision of where the project is headed, and new legislation for the IDP&R passport program and online insurance verification.

Chairman Whitehead asked if there will be expenses to the Department related to the IDP&R passport program. MVA Frew said the intent is for ITD to recover its costs; however, the memorandum of understanding is still being developed.

Executive Session on Personnel and Legal Issues. Vice Chairman Coleman made a motion to meet in executive session at 11:45 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member Gagner seconded the motion and it passed 5-0 by individual roll call vote.

A discussion was held on legal and personnel matters.

The Board came out of executive session at 1:10 PM. No final actions or decisions were made.

Culture Survey Debrief. Director Ness said an organizational culture survey was conducted late last year to understand the current culture, the ideal culture, and how to change from the current culture to the ideal one.

Consultant James Johnson said an organizational culture is shared beliefs/values that guide the thinking and behavior styles of its members. It influences outcomes and impacts performance. He summarized the findings of the culture survey. The Department's results indicated that the articulation of its mission and the focus on customer service were below average, communication needs to improve, and overall, employees are passionate about their jobs, work well with others in their unit, and intend to stay at ITD. The greatest gaps between the ideal culture as determined by the leadership team and the current culture were in self-actualization and achievement. The next steps will be to report the findings to employees; engage leadership to create an understanding of leadership's impact on the culture and to enhance communications skills; connect the culture with the strategic plan; and create a leadership culture. The intent is to conduct another culture survey in a couple of years.

District 5 Member Dwight Horsch joined the meeting during the presentation.

Some discussion followed on the difficulties and time-consuming process to change the culture.

Chairman Whitehead thanked Mr. Johnson for the interesting report.

The Road to a Complete Project. Chief Engineer (CE) Tom Cole summarized the steps to turn an idea into a highway construction project. The process includes planning, determining the needs and funding source, considering concepts and options, completing the environmental process and preliminary design, conducting public hearings if applicable, obtaining right-of-way, completing final design, advertising the project and awarding the construction contract, and then monitoring construction.

Member Vassar questioned ITD's oversight on local projects. CE Cole said that ITD is responsible for all federal-aid projects. Some of the larger local public agencies assume more of the workload; however, ultimately, the Department is responsible for those projects.

Vice Chairman Coleman asked what improvements could be made to the process, particularly to expedite the process and with the environmental steps. CE Cole said the GARVEE Program helped identify improvements to the process, such as developing better schedules and identifying the responsible party. Additional efforts to improve coordination and scheduling issues between Headquarters and the Districts are underway. He added that involving the environmental agencies earlier and improving those partnerships would also help.

Chairman Whitehead thanked DE Cole for the informative presentation.

State Institution Road Improvement. Highways Operations Engineer Greg Laragan said Idaho Code and Board Policy B-05-15, State Institution Road Improvement, provides funding for the construction, alteration or repair of roadways in, through, or around the grounds of state institutions. Per the Division of Public Works' recommendation, Governor Otter requested road repairs at the Idaho Educational Services for the Deaf and Blind. The cost to resurface the parking lots at the Gooding campus is \$70,000. Per Board Policy, ITD will contribute \$30,000 and the Permanent Building Funds will provide \$40,000. If approved, the Division of Public Works will be responsible for administering the project.

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

RES. NO. WHEREAS, Idaho Code Section 40-310(14) establishes a program for
the
ITB12-06 construction, alteration, repair, and maintenance of roadways in,
through, and around the grounds of state institutions; and

WHEREAS, the Idaho Transportation Board has authorized an amount
up to \$30,000 annually for this program under Board Policy B-05-15,
State Institution Road Improvement; and

WHEREAS, the Department of Administration, Division of Public
Works, has received a request from the Idaho Educational Services for
the Deaf and the Blind in the amount of \$70,000; and

WHEREAS, \$40,000 of the project will be funded with Permanent
Building Funds; and

WHEREAS, \$30,000 of the project will be funded with Idaho
Transportation Department grant funds; and

WHEREAS, the scope of work is to resurface all of the major parking
areas on the Idaho School for the Deaf and the Blind campus in
Gooding; and

WHEREAS, the Division of Public Works has approved this request and
forwarded it to the Governor's Office; and

WHEREAS, the Governor has approved this request in a letter dated
January 19, 2012 to the Board.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the
Department Director to transfer funding to the Division of Public Works
for the proposed project; and

BE IT FURTHER RESOLVED, that the Division of Public Works will
administer or cause to be administered the Board approved projects
including all phases of project development, construction, and final cost
accounting.

Addition of American Falls Downtown Streets to FY13 of the ITIP. District 5
Engineer (DE) Ed Bala said the City of American Falls was successful in securing a
federal Transportation Investment Generating Economic Recovery grant last year. The

\$2.855 million project will transform five blocks of the downtown area to complete streets that will safely accommodate pedestrians, bicyclists, motorists, and public transportation. The project will narrow travel lanes, widen sidewalks, create bike lanes, and add streetscaping. The roadway improvements will presumably reduce the accident rate up to 40% and will support the new Southeast Idaho Advanced Energy Center. DE Bala requested adding the STC-1717, American Falls Downtown Streets project to FY13 of the ITIP.

Although Member Horsch supports the project, he believes there are some concerns with it because of the trucks that travel through town. DE Bala concurred that truck traffic is an issue. He noted that there are a number of stakeholders involved.

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

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department
ITB12-07 to publish and accomplish a current, realistic, and fiscally constrained five-year Highway Development Program; and

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

WHEREAS, the City of American Falls received a \$2.3 million Transportation Investment Generating Economic Recovery III grant under the FY12 Appropriations Act to fund the American Falls Complete Streets Initiative; and

WHEREAS, the City of American Falls has pledged \$550,000 in non-federal funds as match toward federal aid; and

WHEREAS, the City of American Falls and District 5 will begin project development this year.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of STC-1717, American Falls Downtown Streets to FY13 of the Idaho Transportation Investment Program for a total cost of \$2.855 million.

Exclusion of Two Segments of US-95 from the Wild Horse State Scenic Byway. Scenic Byways Program Manager John Krause summarized the Boundary

County Commissioners' request to de-designate a portion of US-95 from the Wild Horse Trail State Scenic Byway. The portion was contiguous with the city limits of Bonners Ferry. It is an active industrial and commercial corridor. Correspondence from FHWA said the exclusion appears to be reasonable and would not be detrimental to the remaining byway. Additionally, it would not affect the status of the International Selkirk Loop Byway as an All-American Road.

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

RES. NO. WHEREAS, the Idaho Transportation Board established the Wild Horse State
ITB12-08 Scenic Byway on US-95 from Sandpoint north to SH-1, thence north on SH-1 to the Canadian Border on January 21, 2004; and

WHEREAS, the Boundary County Board of Commissioners has submitted a letter dated October 4, 2011 requesting exclusion of a portion of US-95 from Milepost 508.3 to 511.15 from the Wild Horse Trail Scenic Byway; and

WHEREAS, the Boundary County Board of Commissioners view this corridor north of Bonners Ferry as an area of historical and active commercial importance to the economic viability of the citizens of Boundary County; and

WHEREAS, the Boundary County Board of Commissioners also recognize that "because of these activities and the future activity that will occur in the commercially zoned area described above, the scenic characteristics have lost much of their attributes"; and

WHEREAS, it has been determined that a similar condition exists on the segment of US-95 between the cities of Naples and Bonners Ferry; and

WHEREAS, the Board recognizes the importance of all aspects of the State Highway System to the economic opportunities and economic vitality of the state.

NOW THEREFORE BE IT RESOLVED, that the Board excludes those portions of US-95 in Boundary County from Milepost 497.363 to Milepost 505.461, and from Milepost 508.3 to Milepost 511.15 from the Wild Horse Trail Scenic Byway.

Industry Request for Exemption of Idaho Administrative Rule 39.03.17. Vehicle Size and Weight Specialist (VS&WS) Reggie Phipps relayed the Idaho Housing Alliance's request to change IDAPA Rule 39.03.17, Manufactured Homes, Modular Building and Office Trailers, to allow for the movement of more than one manufactured home, modular building, or park model on a single hauling unit. The exemption request is due to economic hardship in the transportation costs of single units as opposed to multiple units on a single hauling unit. The request would allow the movement of multiple units on a single hauling unit not to exceed 80 feet in length, including the tongue. Staff has concerns because it conflicts with the definition of non-reducible loads, which is "a load that consists of a single piece". VS&WS Phipps does not recommend making a permanent change to IDAPA Rule 39.03.17, but rather to grant a temporary waiver of the rule based on economic hardship for a limited period of time.

Member Kempton questioned the temporary status and if it may set a precedent. Member Vassar had similar concerns and also asked about an analysis to ensure there is no damage to the roads and that safety is not compromised. VS&WS Phipps said a safety audit could be conducted. Economic hardships are a viable reason to grant temporary waivers of the rule. The issue would be reviewed after the temporary waiver expires on March 31, 2013.

In response to Vice Chairman Coleman's question on the legality of these configurations in other states, VS&WS Phipps responded that these units would be allowed to travel in Montana and North Dakota.

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

RES. NO. WHEREAS, the Idaho Transportation Board has authority to grant temporary
ITB12-09 waiver of Idaho Transportation Department rules per I.D.A.P.A. Rule 39.01.10(300)(04); and

WHEREAS, the Board finds that a temporary waiver to I.D.A.P.A. 39.03.17 is needed for an economic benefit to the Manufactured Housing Industry within Idaho.

NOW THEREFORE BE IT RESOLVED, that the Board approves the following temporary waiver to be enacted:

Temporary waiver of I.D.A.P.A. Rule 39.03.17 – Rules Governing Manufactured Homes/Modular Building/Office Trailers to allow the

movement of multiple park models on a single hauling unit not to exceed 80 feet in length including the tongue, on a case by case basis; and

BE IT FURTHER RESOLVED, that the Board directs staff to monitor the safety of these vehicles/loads and report findings and recommendations to the Board not later than March 2013; and

BE IT FURTHER RESOLVED, that the Board approves the request by the Idaho Housing Alliance to allow the temporary waiver of I.D.A.P.A. Rule 39.03.17 until March 31, 2013.

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

April 18-19, 2012 – District 2

May 15-16, 2012 – District 5

June 13-15, 2012 – District 3

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:35 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
April 19, 2012
Lewiston, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

March 23, 2012

Idaho Transportation Board Chairman Jerry Whitehead called a special meeting of the Idaho Transportation Board at 3:00 PM on Friday, March 23, 2012. The following were present at the Idaho Transportation Department in Boise, Idaho:

Jerry Whitehead, Chairman

Julie DeLorenzo, Member – District 3

Larry Allen, Deputy Attorney General

Sue S. Higgins, Executive Assistant and Secretary to the Board

The following participated via teleconference:

Jim Coleman, Vice Chairman – District 1

Janice B. Vassar, Member – District 2

Dwight Horsch, Member – District 5

Members Jim Kempton and Lee Gagner were available to participate in the meeting; however, due to technical difficulties, they were unable to connect via teleconference.

Executive Session on Personnel and Legal Issues. Member Vassar made a motion to meet in executive session at 3:00 PM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member DeLorenzo seconded the motion and it passed 4-0 by individual roll call vote.

A discussion was held on legal and personnel matters.

Member Horsch joined the meeting in person at the Idaho Transportation Department at 3:10 PM. Director Brian Ness joined the meeting via teleconference around 3:40 PM.

The Board came out of executive session at 4:40 PM. No final actions or decisions were made.

WHEREUPON the special session of the Transportation Board adjourned at 4:40 PM.

signed

Jerry Whitehead, Chairman
Idaho Transportation Board

Read and Approved
April 19, 2012
Lewiston, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

February 9, 2012

The Idaho Transportation Board met at 8:00 AM on Thursday, February 9, 2012 at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Gary Blick, Vice Chairman – District 4
Jim Coleman, Member – District 1
Janice B. Vassar, Member – District 2
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6
Brian W. Ness, Director
Scott Stokes, Chief Deputy
Sue S. Higgins, Executive Assistant and Secretary to the Board
Larry Allen, Lead Deputy Attorney General

Executive Session on Personnel Issues. Member Coleman made a motion to meet in executive session at 8:00 AM to discuss personnel issues as authorized in Idaho Code Section 67-2345(b). Member Gagner seconded the motion and it passed 5-0 by individual roll call vote.

A discussion was held on personnel matters.

The Board came out of executive session at 9:05 AM. No final actions or decisions were made.

Board Minutes. Member Vassar made a motion to approve the minutes of the regular Board meeting held on January 18, 2012 as submitted. Member Horsch seconded the motion and it passed unopposed.

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

March 14-15, 2012 – Boise
April 18-19, 2012 – District 2
May 15-16, 2012 – District 5

Consent Calendar. Member Gagner questioned the engineer's estimate on the I-84, Burley to Salt Lake City Interchange project. The low bid was 18% higher than the engineer's estimate. Chief Engineer Tom Cole said the project included a warranty. District 4 had no prior experience with this type of project.

Chairman Whitehead requested removing the repeal of Board Policy B-01-21, Partnership Culture, from the consent calendar.

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

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

ITB12-04 approves advancing East Main Canal and Stratton Canal Bridge to FY12 of the Off-System Bridge Program; the addition of two FY11 Tribal Transit Discretionary Awards to the FY12 Transit Program; the annual update of the Safety Rest Areas and Oasis Partnerships; and the request for work task number two; and has received and reviewed the annual report on the status of state-owned dwellings, contract award information, and the professional services agreements and term agreement work task report.

1) Advance East Main Canal, Key #9850, and Stratton Canal Bridge, Key #9851, to FY12 of the Off-System Bridge Program. These two bridge replacement projects were originally programmed for delivery in FY12. The Local Highway Technical Assistance Council (LHTAC) was prepared to advance them to FY11 last summer, but this did not occur due primarily to the fact that the Department did not receive any FY11 redistribution of obligation authority not used by other states. LHTAC was certain that the projects would be advanced, so filled the presumably vacated FY12 slots within the Program. Rather than renege on those most recent promises, these two bridge projects were scheduled in Preliminary Development. LHTAC requests advancing the East Main Canal project for \$855,000 and the Stratton Canal Bridge project for \$439,000 to FY12 to be funded from savings on other projects.

2) Addition of Two FY11 Tribal Transit Discretionary Awards to the FY12 Transit Program. The Federal Transit Administration solicited applications for \$15 million in discretionary funds for Public Transportation on Indian Reservations. The Coeur d'Alene Tribe was awarded \$93,000 and the Nez Perce Tribe received \$500,000 for additional operations. Staff requests the addition of these two projects to the FY12 Transit Program.

3) Annual Update of Safety Rest Areas and Oasis Partnerships. The 2012 Safety Rest Area chart and map were updated to reflect the current rest area projects and status. One new rest area was completed in District 6 at Dubois. The Mineral Mountain Rest Area in District 2 is programmed for FY12 and the Cotterell Rest Area in District 4 is

scheduled in FY13. Proposed Public/Private/Government Partnerships projects are funded to FY13 for a Camas Prairie facility in District 2, and the Cougar Mountain Lodge and ION Truck Stop in District 3; however, there is no funding available beyond FY13. The 2012 Safety Rest Areas and Oasis Partnerships Planning Map, as shown as Exhibit 413, is made a part hereof with like effect.

4) Request for Work Task Number Two. The Intersection of North Linder Road and SH-44, Stage 1 was approved as a pilot Design Build project. The project will improve traffic operations and increase safety by widening SH-44 and Linder Road, replacing the existing traffic signal, and adding turning and through lanes. The initial conceptual design services were estimated at \$300,000 to \$350,000. CH2MHill was the selected consultant firm. Since the estimate was prepared, ITD has determined that Ada County Highway District did not have as much information as previously assumed and additional research and design would be needed. The estimate also did not account for the recent SH-44 and Ballantyne Lane intersection improvements one mile east of this intersection. The project limits for the Linder Road and SH-44 project have been extended to the east to determine the feasibility of improving SH-44 all the way to Ballantyne Lane to prevent an immediate bottleneck to the state system. Staff requests approval to increase the term agreement limit to \$530,000 with CH2MHill for the additional services. Contracting with CH2MHill will keep the overall project costs down; minimize delays to the project schedule; and eliminate redundancies, inefficiencies, and overlaps in tasks with having another firm to coordinate with.

5) Annual Report on Status of State-owned Dwellings. The report on the status of ITD-owned dwellings included the fair market rental value, rental status, and monthly rental amount. The Department owns 3 stick-framed houses, 11 manufactured homes, 4 manufactured bunkhouses, 25 trailer pads, and 2 apartments at Johnson Creek and Cavanaugh Bay Air Strips. ITD also owns 9 trailer pads and 3 houses at rest area locations around the state. In 2011, two trailer pads were demolished, one new trailer pad was built, and manufactured bunkhouses were set up at Island Park and Lowman. Current needs are for additional manufactured bunkhouses at Lowman and Island Park.

6) Contract Awards. Key #12998 – US-12, Orofino to Greer, District 2. Low bidder: Valley Paving & Asphalt, Inc. - \$1,186,601.

Key #11577 – SH-55, Milepost 80.6 to Boise National Forest Boundary, District 3. Low bidder: Valley Paving & Asphalt, Inc. - \$2,146,905.

Keys #11615 and #11616 – US-93, Roadside Park to Milepost 11, and Milepost 11 to Deep Creek, Twin Falls County, District 4. Low bidder: Knife River Corporation – Northwest - \$8,251,863.

Key #11602 – Shoshone Area East, District 4. Low bidder: Snake River Construction, Inc. - \$738,525.

The low bid on key #11598 – SH-25, 100 East Road to Junction I-84, Minidoka County, District 4, was more than ten percent over the engineer's estimate, requiring justification. The major differences between the low bid and engineer's estimate were in the approaches, plant mix, and cold milling items. Staff believes the differences may be due to the location of the source material, the price of asphalt, and the small quantities. Staff does not believe that re-advertising will result in better bids. Low bidder: Klopfer, Inc. - \$1,068,462.

The low bid on key #11077 – I-84, Burley to Salt Lake City Interchange, District 4, was more than ten percent over the engineer's estimate, requiring justification. The major differences were in the special traffic control maintenance, special seal coat, and mobilization items. Staff believes the differences may be due to new construction procedures and warranty specifications. Some bid items are used in a different format than they were in the past. The district does not believe that re-advertising will give better results until contractors become more familiar with the warranty specification results. Low bidder: Intermountain Slurry Seal, Inc. - \$1,269,952.

The low bid on keys #11111 and #11125 – US-30, Lava Hot Springs Business Loop and Thomas Flats to Wyoming State Line, Bear Lake County, District 5, was more than ten percent over the engineer's estimate, requiring justification. The main difference between the engineer's estimate and low bid were in the seal coating and mobilization items. Staff believes the difference is due to the projects' small size and remote locations. It does not believe re-bidding would be beneficial. Low bidder: Staker & Parson Companies dba Jack B. Parson - \$108,726.

Key #11632 – US-91, Burnside to Highway Avenue, Chubbuck, District 5. Low bidder: Concrete Placing Company, Inc. - \$677,790.

7) Professional Services Agreements and Term Agreement Work Task Report. From January 3 through January 25, \$987,211 in new professional services agreements and work tasks were issued. Ten supplemental agreements to existing agreements were processed in the amount of \$435,187 during this period.

Board Items. Chairman Whitehead met with the Governor's Office and a number of people regarding his appointment as Chairman of the Board. He also attended the Senate confirmation hearing for Aeronautics Advisory Board (AAB) Member Colleen Back. He believes Ms. Back will be a beneficial member to the AAB due to her extensive background and experience in the aviation industry.

Director's Report. Director Ness congratulated Chairman Whitehead on his new position and is looking forward to working with him in that capacity. Some of his activities from the past month included meeting with the Chairmen of the House and Senate Transportation Committees, meetings with other state agencies and local entities, participating in the Governor's Capital for a Day in Murphy, the annual joint germane committee presentation, and a meeting with parties involved in the I-90, Beck Road interchange project.

ITD and Knife River Construction received awards for two I-84 projects in District 4. Additionally, the Idaho Chapter of Women in Transportation recognized Monica Crider for her efforts and achievements and ITD and the Connecting Idaho Partners for its innovative solutions for the I-84, Ten Mile project.

Director Ness said staff participated in a conference call regarding reauthorization of the federal transportation act. It is estimated that \$12 billion is needed to sustain the current level of funding for the nation's transportation system. Both chambers are working on reauthorization proposals.

ITD's budget presentation to the Joint Finance and Appropriations Committee will be on February 10. Director Ness said other upcoming events include a highway safety workshop, an economic summit, and meetings with the Federal Highway Administration (FHWA), and LHTAC.

In conclusion, Director Ness recognized Vice Chairman Blick for his service on the Board and his contributions to the Transportation Department.

Annual Report on Human Resources (HR), Training, and Fair Employment Practices. Chief Human Resources Officer (CHRO) Mary Harker said the HR functions were realigned last year to consolidate all services and programs that affect the workforce. The division supports the Department by providing full service consultation in the areas of personnel administration, employee relations, leave management, safety, equal employment opportunities, benefits, and training and development.

CHRO Harker noted that disciplinary actions spiked in 2010 with 43. The 25 reported disciplinary actions in 2011 were higher than the average from 2004 through 2009. She believes this is due to the focus on accountability. Employees' leave without pay decreased, mainly due to a concerted effort to educate managers on this issue. Another focus area was employment law, with 325 employees trained on this topic.

HR Program Manager Bill Schurtz summarized staffing and recruitment issues. There was a reduction in the amount of sick leave used in 2011, partly due to the "back to work" program. The turnover rate is a concern. Vacancy rates have been climbing steadily over the past three years, with last year's rate at 6.2%. During the past five years, 40% of separations were due to retirement. The Department is finding it difficult to attract and retain good employees because of its inability to provide competitive wages.

Diane Steiger, Equal Employment Opportunity (EEO)/Disadvantaged Business Enterprise (DBE) Program Manager, highlighted the EEO activities. FHWA recognized several of ITD's practices, including its social media program, level II contract compliance reviews, and brown bag diversity series. Some of the Title VI and VII activities included completing the five-year affirmative action plan, minority outreach, and complaint investigations. There were no external complaints and 17 internal complaints. The Americans with Disabilities Act (ADA) transition plan is continuing with reviews of buildings for compliance. Extensive outreach was conducted for the DBE program, including training and publishing newsletters. Education and training for contract compliance were conducted. Goals for 2012 include streamlining to improve efficiencies, improving the website, increasing training and outreach, and continuing the ADA transition inventory.

Safety Manager Vic Parrish summarized the safety training conducted last year. Some of the classes were defensive driving, winter maintenance and plow operations, and flagger and traffic control. The office investigated 220 tort claims, with 111 denied, 9 still open, and 1 in litigation. A total of 94 work-related injuries occurred during FY11, resulting in 2,278 lost work days and \$939,253 in costs. There were 177 vehicular collisions reported in FY11, resulting in \$284,436 in equipment damage, \$1,084 in property damage, and \$50,667 in tort damages. Efforts will focus on improving safety through training, exploring engineering solutions to problems, establishing an agency-wide plan for repeat violators, implementing performance measures, and partnering.

Safety Manager Parrish also reported on the Wellness Program. The focus is on improving employees' general health through services such as health clinics, flu shots,

and educational information. The fitness challenge continues to be a popular fitness activity.

Tony Loomer, Training and Development Manager, said the majority of training provided was technical classes. More training was conducted in 2011 than in prior years due to the need to train employees on the Transportation Asset Management Systems. A training steering committee has been established, which will provide better planning and scheduling of resources. Some of the goals for this year include implementing Share Point and increasing the maintenance training program.

Chairman Whitehead thanked staff for the informative presentation.

Legislative Report. Government Affairs Manager (GAM) Mollie McCarty said ITD's legislation to codify ITD as the recipient of Federal Transit Administration funding has passed the House of Representatives. All of the Department's rules have been approved by the Senate Transportation Committee. Staff is monitoring a number of proposals related to issues such as cell phone usage while driving, license plates, and eliminating the speed differential.

Chairman Whitehead thanked GAM McCarty for the report.

Tour of the Division of Transportation Performance. The Board toured Transportation Performance and visited with staff about its responsibilities.

Executive Session on Personnel and Legal Issues. Member Vassar made a motion to meet in executive session at 11:40 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member Horsch seconded the motion and it passed 5-0 by individual roll call vote.

A discussion was held on legal and personnel matters.

Chairman Whitehead and Member Horsch left the meeting at 12:35 PM to attend their Senate confirmation hearings.

The Board came out of executive session at 1:00 PM. No final actions or decisions were made.

Tour of the Office of Highway Safety (OHS). The Board toured OHS and learned more about staff's duties and responsibilities.

Monthly Financial Statements. Controller Gordon Wilmoth said the FHWA Indirect Cost Allocation revenue through December was \$23,260,000, which exceeded the projected amount by \$7,035,000. Revenue from the Equipment Buy Back program was \$889,000, which was the projected amount. Miscellaneous state funded revenue of \$16,914,000 was \$1,078,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$89,430,000. The projected revenue was \$90,680,000. Revenue from the ethanol exemption elimination was \$8,062,000, which was 5.8% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$846,700, or \$25,200 below the forecast.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$170,095,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$8,113,500 of the \$9,200,000 available.

Manager, Transportation Investments Dave Amick reported that net cumulative obligations were \$102.3 million as of January 27, of which \$106.3 million had a budget scheduled on October 1. The original budget cost associated with the scheduled obligations is \$128.5 million. Net cumulative obligations are 27% higher than the historical trend of \$80.8 million for January.

Speed Limits in Work Zones. Traffic Services Engineer (TSE) Carl Main summarized the process to establish speed limits in construction zones, starting with federal and state regulations. Mobility and safety are major considerations. The type of work being completed and the proximity of construction workers to the travel lanes are considered when speed limits are established. He acknowledged that occasionally the Department receives negative feedback from the traveling public, which staff takes into consideration.

Chairman Whitehead and Member Horsch returned during this presentation.

Vice Chairman Blick emphasized the importance of realistic construction zones. He acknowledged motorists' frustration when projects are signed and flagged for extensive lengths when no work is being done. TSE Main concurred and said ITD tries to be cognizant of that.

Member Horsch asked if construction workers were surveyed regarding their personal safety when the Department's procedures were reviewed. TSE Main replied that just prior to that review, a committee comprised of legislators, law enforcement personnel, contractors, and others was established to review this issue. Contractors and ITD maintenance employees provided information on construction workers' safety. TSE

Main added that planning is an integral part of the process and that maintaining safety and mobility will increase costs for traffic control.

The Board thanked TSE Main for the informative overview on construction zones.

Election of Vice Chairman. Member Gagner nominated Member Coleman to serve as vice chairman of the Board. Member Vassar seconded the motion and it passed 4-1 with Member Coleman objecting.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:35 PM; however following adjournment, a program was held in recognition of Vice Chairman Blick's service on the Board.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
March 14, 2012
Boise, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

January 18, 2012

The Idaho Transportation Board met at 8:00 AM on Wednesday, January 18, 2012 at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Darrell V Manning, Chairman

Gary Blick, Vice Chairman – District 4

Jim Coleman, Member – District 1

Janice B. Vassar, Member – District 2

Dwight Horsch, Member – District 5

Lee Gagner, Member – District 6

Brian W. Ness, Director

Scott Stokes, Chief Deputy

Sue S. Higgins, Executive Assistant and Secretary to the Board

Larry Allen, Lead Deputy Attorney General

Board Minutes. Member Gagner made a motion to approve the minutes of the regular Board meeting held on December 14, 2011, the minutes of the special Board meeting held on December 23, 2011, and the minutes of the special Board meeting held on January 11, 2012 as submitted. Member Vassar seconded the motion and it passed unopposed.

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

February 8-9, 2012 – Boise

March 14-15, 2012 – Boise

April 18-19, 2012 – District 2

Consent Calendar. Member Gagner questioned the proposed changes to Board Policy B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects, eliminating Board approval for all construction contract awards. Currently, the Board is required to approve the award of current year construction contracts when the total cost of the project is greater than \$5 million, the engineer's estimate is exceeded by more than ten percent, and the costs exceed the programmed amount. Chief Engineer (CE) Tom Cole said it is very rare that those three conditions exist, requiring Board approval. Requesting Board approval for those projects would delay the process approximately one month. Due to the infrequency of projects requiring Board approval and because of the time-consuming process, staff recommends removing that requirement. The award of all Idaho Transportation Improvement Program (ITIP) projects will still be presented to the Board for information.

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

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

ITB12-01 approves the addition of Ada County Highway District Overlays to FY12 of the Transportation Management Area Program; the addition of Statewide Road-Weather Information System Installation, Phase 2 to the Safety Program; the scope redefinition of five projects within FY12 of the Bridge Program; revisions to Board Policy B-01-09, Authority to Sign Agreements; retention of B-05-16, Maintenance of State Highways; deletion of B-06-42, Bidding and Contracting Rental Equipment; retention of B-12-16, Traffic Control Devices; and revisions to B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects and has received and reviewed the contract award information, the professional services agreements and term agreement work task report, the report of speed minute entry changes for October through December 2011, and the administrative and legal settlements of right-of-way acquisitions.

1) Addition of Ada County Highway District (ACHD) Overlays to FY12 of the Transportation Management Area Program. The Community Planning Association of Southwest Idaho requested the addition of the ACHD District Overlays project to the FY12 Transportation Management Area Program. The \$1.75 million project would be funded through savings.

2) Addition of Statewide Road-Weather Information System (RWIS) Installation, Phase 2 to the Safety Program. Staff requested the addition of the Statewide RWIS Installation, Phase 2 project for \$450,000 to the FY12 Safety Program. The project, which will gather road and weather condition data and broadcast the information to consumers, would be funded by the removal of the FY12 Regional Intelligent Transportation System (ITS) Architecture Update, key #11205, and FY12 Highway Advisory Radio Installation, key #11210 projects. Staff believes RWIS installations and upgrades throughout the state are a higher priority than the ITS projects.

3) Scope Redefinition of Five Projects within FY12 of the Bridge Program. Staff requested the redefinition of five bridge rehabilitation projects in the FY12 Bridge Program to more efficiently utilize funding by repairing and rehabilitating multiple structures within a region within one contract. The changes will downgrade the original scope of work to add repairs to additional structures. This will result in

reduced mobilization, advertising, and bidding costs while addressing the most critical bridge asset needs in a more timely fashion.

The I-90, SH-41 Overpass Interchange #7 project, key #12985, was programmed for \$420,000. The re-scoped project will be FY12 District 1 Bridge Repairs to add seven structures in the general vicinity with no change in total cost. The \$420,000 I-84, Mayfield Road Interchange #71, key #13038, project will be expanded in scope as FY12 District 3 Bridge Deck Rehabilitations, Elmore and Ada Counties to add seven decks at a total cost of \$3.01 million. The additional funding will be provided from savings. The US-93, Perrine Bridge, Near Twin Falls, key #12863, was programmed for \$6.35 million. The revised project, FY12 District 4 Bridge Deck Rehabilitations, adds eleven decks in the region at the same cost. The \$2.4 million I-84, Snake River Bridge Westbound, Near King Hill, key #12877 project is being re-scoped as I-84, King Hill to Wendell Overpass Repairs to repair five more bridges along the corridor at the same total cost. The I-84, Snake River Bridge Eastbound, Near King Hill, key #12876, was programmed for \$2.45 million. This project is being re-scoped as I-84, Glens Ferry to Power Plant Road Bridge Decks with deck rehabilitations at four locations for the same total cost.

4) Revisions to Board Policy B-01-09, Authority to Sign Agreements. This policy was updated to reflect the current organizational structure.

5) Retention of Board Policy B-05-16, Maintenance of State Highways. This policy was reviewed because it was signed in 2003. Staff believes the policy is still relevant and recommends retaining it with no changes.

6) Deletion of Board Policy B-06-42, Bidding and Contracting Rental Equipment. Staff recommends deleting this policy because the procedures for equipment rental are documented in the Maintenance and Purchasing Manuals.

7) Retention of Board Policy B-12-16, Traffic Control Devices. This policy was reviewed because it was signed in 2003. Staff believes the policy is still relevant and recommends retaining it with no changes.

8) Revisions to Board Policy B-14-06, Approval of Plans/Specifications/Estimates and the Award of Construction Projects. Staff recommends revising the policy to allow staff to award all current-year projects in the ITIP. The requirement for the Board to approve the award for projects that are over \$5 million, over 10% of the engineer's estimate, and the costs exceed the programmed amount and when a Board member has requested to review the project are being removed. The bid status of highway projects will continue to be provided on a monthly basis. The requirement

for Roadway Design to produce the obligation chart is also being removed because this information is being provided by the Division of Administration as part of the monthly financial statements.

9) Contract Awards. Key #11526 – Government Way; Dalton to Hanley Avenue, District 1. Low bidder: M D M Construction, Inc. - \$2,478,503.

Key #11012 – US-2, Moyie River Gorge Bridge, Moyie Springs, District 1. Low bidder: Razz Construction Inc. - \$1,929,871.

The low bid on key #12296 – I-90, FY12 District 1 Bridge Deck Life Extension, was more than ten percent over the engineer's estimate, requiring justification. The two bid items that differed significantly from the engineer's estimate were Superpave and Superstructure Jacking. The small quantity and multiple locations of paving are hard to estimate for the Superpave item. Staff believes it underestimated this item by not providing enough weight to the minimal quantity and remote location of the paving. Headquarters recommended increasing the price for the Superstructure Jacking in the engineer's estimate; however, the District did not get that change incorporated. Staff did not discover any obvious errors. Low bidder: West Company Inc. - \$640,081.

Key #12388 – I-84, Junction SH-81 Interchange #228 to Milepost 239 Eastbound, Cassia County, District 4. Low bidder: Knife River Corporation - Northwest - \$2,879,270.

Key #12068 – SH-75, Junction US-20 to Milepost 105.6, Blaine County, District 4. Low bidder: Knife River Corporation – Northwest - \$707,092.

Keys #11601 and #12077 - US-20, Poison Creek to Milepost 181.1, Blaine County and Big Wood River Bridge, District 4. Low bidder: Knife River Corporation – Northwest - \$2,038,142.

Key #11600 – SH-77, SH-46, and US-93, FY12 District 4 Districtwide Sealcoats. Low bidder: Knife River Corporation – Northwest - \$1,741,559.

Key #11090 – I-84, FY12 District 4 Sign Upgrades. Low bidder: Amerigo Construction, Inc. - \$95,691.

The low bid on key #11676 – US-20, Sheep Falls Road to Pine Haven Drive, Fremont County, District 6, was more than ten percent over the engineer's estimate, requiring justification. The High Strength Pavement Geotextile item accounted for the majority of the difference between the low bid and the engineer's estimate. Staff believes it

underestimated this item, partly because it has never used this particular specification and had no accurate estimating basis to judge the unit cost. Low bidder: Western Construction, Inc. - \$4,432,032.

Key #12125 – SH-31, Culvert Replacement Milepost 12.6 to Milepost 13.2. Low bidder: Depatco, Inc. - \$993,755.

Key #11146 – US-20, FY12 District 6 Districtwide Bridge Preservation. Low bidder: Braun-Jensen, Inc. - \$887,000.

Key #12468 – US-20, South Fork Teton River Bridge to North Rexburg Interchange #337, District 6. Low bidder: H-K Contractors, Inc. - \$2,860,700.

Key #11666 – SH-33, Canyon Creek Bridge to Junction SH-32, Teton County, District 6. Low bidder: H-K Contractors, Inc. - \$3,316,889.

Key #11663 – US-93, Cow Creek to Rattlesnake Creek, Lemhi County, District 6. Low bidder: H-K Contractors, Inc. - \$4,996,629.

Key #11144 – US-20, FY12 District 6 Sign Upgrades, Phase 1. Low bidder: Beco Construction Company, Inc. - \$91,844.

10) Professional Services Agreements and Term Agreement Work Task Report. From November 29 through December 30, \$3,489,582 in new professional services agreements and work tasks were issued. Five supplemental agreements to existing agreements were processed in the amount of \$345,300 during this period.

11) Report of Speed Minute Entry Changes for October through December 2011. The speed limit on SH-79 near Jerome, milepost 0.00 to milepost 0.26 was reduced from 55 miles per hour to 45.

12) Administrative and Legal Settlements of Right-of-Way Acquisitions. From July 1 through December 25, 2011, the Right-of-Way Section processed 66 parcels. There were 19 administrative settlements and 5 legal settlements during this time frame.

Board Items. Chairman Manning mentioned his retirement at the end of this month. He noted the expertise and professionalism of the ITD employees and believes ITD is a great organization. He thanked the Board members for their service and expressed appreciation for the opportunity to work with the Board and ITD staff.

Director's Report. Director Ness reported that the Legislative Services Office completed its audit for FY11. It concluded that ITD has complied with all laws, regulations, rules, grant agreements, and contracts that were audited for compliance. There were no findings or recommendations to report.

Chief Technology Officer (CTO) Jon Pope has left the Department. Strategic Funding Specialist Dave Tolman will be the acting CTO until the position is filled.

ITD's presentation to the Joint Germane Committees will be on January 26 and the budget presentation to the Joint Finance and Appropriations Committee will be on February 10. Director Ness said he will meet with the chairs of the Senate Transportation Committee and House Transportation and Defense Committee on a regular basis during the legislative session.

Upcoming activities include the Idaho Future City competition, with many ITD employees assisting the students competing in the event, and meetings with other state agencies and Federal Highway Administration (FHWA).

The Idaho Chapter of the American Council of Engineering Consultants selected the replacement of two bridges over the Portneuf River on US-30 as the best project in the structural systems category. Director Ness also announced that a number of employees were honored by the American Association of State Highway and Transportation Officials for 25 years of service in the transportation industry, including District Engineers Ed Bala, Jim Carpenter, and Devin Rigby, CE Cole, Bridge Engineer Matt Farrar, Resource Center Manager Nestor Fernandez, Assistant District Engineers Scott Gurnsey and Andrea Storjohann, Chief Human Resource Officer Mary Harker, Highway Safety Manager Brent Jennings, and Highway Program Oversight Engineer Loren Thomas.

ITD co-sponsored a traffic management workshop with FHWA, according to Chief Deputy (CD) Stokes. Some of the participants included personnel from law enforcement, State Communications, and ITD maintenance crews. He believes it was a valuable and successful event.

CD Stokes distributed the dashboard report, highlighting some of the performance measures. Idaho's decrease in fatality rate in 2011 was the best in the nation. Idaho's rate declined from 1.53 fatalities per 100 million vehicle miles traveled in 2010 to 1.38. He added that ITD has a lot more work to do to continue the downward trend in fatalities. The Department will continue its emphasis on this important issue with its various partners.

The percentage of ITD's pavement in good or fair condition was 87% in 2011, which exceeded the goal of 82%. CD Stokes noted that the new management systems will forecast pavement conditions, which will be a valuable tool as the Department struggles with maintaining the current system with limited resources. The average time to process titles in 2011 was six days, which exceeded the goal of a seven-day turnaround time frame.

Director Ness reviewed the vision he established for ITD when he was selected as director in January 2010. He believes the first two years, focusing on building the foundation for the future, were successful. The Department is more transparent, accountable, and efficient. Its customer service has improved and it leverages effective partnerships. There is a high value on employees and their retention and development. Additionally, relationships with other entities have improved. Last year the Department was realigned to place more employees on the front line, reduce supervisory layers and the number of supervisors that only oversee one employee, and eliminate duplication of efforts. A total of \$3.5 million in salary savings and \$2.2 million in insurance savings were realized. With realignment completed, efforts on the employee classification study are underway.

This year, Director Ness will demonstrate the need for an adjustment in employee classification and compensation based on the results of the classification study. The cost of employee turnover at ITD is over \$5 million annually. He gave examples of losing ITD employees to other public and private entities for salary increases, sometimes up to 40% more pay. Additionally, over 50% of employees will be eligible to retire over the next five years. He would like to invest the salary and turnover savings in employees. Other initiatives for 2012 are to strategically align the Department through implementation of the Strategic Plan and release the culture survey results and identify strategies to close the gap between the current culture and the ideal culture. Communication with employees will also continue to be a high priority.

Director Ness believes the 2012 initiatives will position the Department to seek additional revenue in 2013. Earlier, he said he would not ask for additional revenue until he could assure the taxpayers of Idaho that the Department is spending its revenue as efficiently, effectively, and wisely as possible. Director Ness believes he is close to meeting that promise.

Member Gagner asked about aligning individual performance plans with the Department's goals. Director Ness acknowledged the difficulty of that task. A facilitator will provide assistance and Human Resources staff will provide training.

Member Horsch cautioned that if positions are vacant too long, the legislature may eliminate full-time equivalent positions. He also expressed concern with employee turnover, particularly the number of employees that will be eligible to retire in the next five years. He encouraged Director Ness to inform legislators of the current situation as well as the potential for significant turnover in the near future. Director Ness concurred with the importance of sharing that information. Vice Chairman Blick added frustration with the Department's inability to provide competitive wages and noted that a number of local agencies pay more than the state.

Chairman Manning thanked Director Ness for the report and for his efforts and accomplishments.

Legislative Report. Government Affairs Manager (GAM) Mollie McCarty said ITD's legislation to codify ITD as the recipient of Federal Transit Administration funding has been sent to print. Staff is monitoring the proposal to eliminate the differential speed limit for trucks and is providing assistance and answering questions on a number of other proposals. GAM McCarty added that the Idaho State Police submitted an emergency rule to prohibit texting and the use of cell phones by Commercial Drivers' License holders while operating motor vehicles.

Member Coleman said the Access Review Committee met yesterday. The Committee intends to inform the legislature of its activities and potential remedies, including rule changes for next year.

Chairman Manning thanked GAM McCarty for the report.

Relinquishment of US-95 Spur to the City of Payette. District 3 Engineer (DE) Dave Jones reported that the City of Payette is willing to assume jurisdiction of the 1.4 mile US-95 Spur in exchange for ITD funding a new traffic signal at the US-95 and SH-52 intersection. The estimated cost of the signal is \$200,000, which can be made available from project savings within District 3. The City has done some preliminary work on the project. DE Jones added that the Board Subcommittee on State Highway System Adjustments has approved the road closure and maintenance agreement.

Vice Chairman Blick said the Subcommittee recommends proceeding with this transfer. He commended DE Jones for this innovative approach. The Subcommittee encourages District Engineers to relinquish routes that do not function as state highways.

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

RES. NO. WHEREAS, the City of Payette is willing to assume jurisdiction of the
US-95
ITB12-02 Spur in Payette in exchange for the Idaho Transportation Department
funding a new traffic signal at the US-95 and SH-52 intersection; and

WHEREAS, the estimated cost of the signal is \$200,000, which can be
made available from current District 3 Statewide Transportation
Improvement Program project savings; and

WHEREAS, the City of Payette and District 3 have negotiated a Road
Closure and Maintenance Agreement as provided in Idaho Code, Section
40-203B; and

WHEREAS, during its January 18, 2012 meeting, the Board
Subcommittee on State Highway System Adjustments approved the
District's request to transfer this segment of US-95 Spur to the City of
Payette pending Board approval.

NOW THEREFORE BE IT RESOLVED, as directed in the agreements,
jurisdiction of the US-95 Spur can be transferred to the City of Payette
and hereby is removed from the State Highway System effective
immediately, in accordance with the Official Minute, as shown as
Exhibit 412, which is made a part hereof with like effect.

Delegation – Cache Miller. Mr. Miller thanked the Board for its time. He expressed
concern with the right-of-way acquisition process and questioned the Board's
oversight.

Chairman Manning replied that the Board has control of ITD and establishes policy.
He emphasized that the federal and state regulations need to be followed.

Mr. Miller asked for the schedule to construct various phases of the SH-16 extension
from SH-44 south. He expressed frustration with the time frame for ITD to acquire
property, as the process is time-consuming. He believes compensation should take
into consideration future projects that will impact an individual's property. He also
has issues with the definition of "just compensation" as outlined in the Department's
Right-of-Way Manual. He questioned the definition of "good faith" and believes it
should include a fair design process, a reasonable time frame, and consideration.

Chairman Manning encouraged Mr. Miller to submit his questions on the construction
schedule and proposed changes to the right-of-way acquisition process in writing.

Staff will provide answers on the schedule and the Board will consider the procedural changes.

Vice Chairman Blick acknowledged Mr. Miller's concerns and stated that the Board also has frustrations with the right-of-way acquisition process. After ITD announces plans to construct a new road, the value of property along the corridor often increases significantly, resulting in considerable cost increases to the Department. There are issues on both sides, but just compensation is the principal goal.

Mr. Miller said he will provide a list of concerns and requested the Board's consideration. Chairman Manning thanked Mr. Miller for his remarks and said the issues will be looked into.

Overview of How Speed Limits are Established. First Lieutenant Thad Peterson with the Michigan Department of State Police Traffic Services Section presented an overview on establishing speed limits. He emphasized the importance of setting realistic speed limits. Speed limits that are established based on the speed that motorists drive results in good compliance, minimized crash rates, and less severe crashes when crashes occur. Speed limits should be set based on the 85th percentile: the speed at which 85% of drivers are traveling at or below.

Member Jerry Whitehead joined the meeting at this time.

First Lieutenant Peterson noted that Michigan had a higher crash rate when all of the work zones were posted at 45 miles per hour than when the speed limit was 60 except when workers were present. Most of the crashes in Michigan occur in advance of the work zone, when traffic backs up because of the lower speed limit.

The Board thanked First Lieutenant Peterson for the informative presentation.

Tour of Business and Support Management (B&SM). The Board toured the B&SM Section and learned more about its responsibilities.

Executive Session on Personnel and Legal Issues. Vice Chairman Blick made a motion to meet in executive session at 11:55 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(b) and (f). Member Gagner seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on legal and personnel matters.

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

Monthly Financial Statements. Manager, Transportation Investments Dave Amick reported that net cumulative obligations were \$71.2 million as of December 31, of which \$76.5 million had a budget scheduled on October 1. The current total cost associated with the scheduled obligations is \$96.3 million. Net cumulative obligations are slightly higher than the historical trend of \$60.5 million for December.

Controller Gordon Wilmoth said the FHWA Indirect Cost Allocation revenue through November was \$21,500,000, which exceeded the projected amount by \$7,225,000. Revenue from the Equipment Buy Back program was \$889,000, which was the projected amount. Miscellaneous state funded revenue of \$14,342,000 was \$1,514,000 above the forecast. Highway Distribution Account revenue, excluding ethanol exemption elimination, was \$74,200,000. The projected revenue was \$74,960,000. Revenue from the ethanol exemption elimination was \$6,750,000, which was 6.7% below the projected amount. Revenue to the State Aeronautics Fund from aviation fuels was \$698,000, or \$48,000 below the forecast; however, he expressed optimism that the revised forecast will be realized.

Total expenditures in the American Recovery and Reinvestment Act Title XII Fund for highway projects were \$167,853,000, while \$178,800,000 had been appropriated. Expenditures for public transportation were \$7,660,000 of the \$9,200,000 available. Controller Wilmoth noted that all of the Title XIV ARRA funds have been expended and there will be no more reports on that category.

Trucking Advisory Council (TAC) Membership Recommendations. Motor Vehicles Administrator Alan Frew said a statewide press release was issued in October seeking applications for the TAC. The applications were reviewed to ensure that each applicant had the required current participation in the trucking industry, either through ownership or employment. The seven-member council is comprised of one member from each ITD district, plus a chair selected from the state at large. The Council was established to assist and advise the Board on issues related to the trucking industry, such as safety, mobility, and freight transportation policies. The Division of Motor Vehicles (DMV) will provide administrative support to the council.

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

RES. NO. WHEREAS, the Governor's Motor Carrier Advisory Committee (MCAC) existed

ITB12-03 for many years as an important tool to provide the Idaho Transportation Department with valuable information regarding trucking and freight issues; and

WHEREAS, the Governor's Office, in close consultation with stakeholder agencies, determined not to renew the Governor's Executive Order, disbanding the MCAC in February 2010; and

WHEREAS, the Department recognizes the ongoing need to stay involved with the Idaho trucking industry as partners in highway transport, safety, operations, and freight management; and

WHEREAS, the Idaho Transportation Board has authority to establish internal structures deemed necessary for its duties; and

WHEREAS, the Motor Vehicle Administrator, in consultation with the trucking industry, recommends persons to terms as chair and members of the Trucking Advisory Council as follows:

2014	Council Chair	Bill Moad	January 2012 – December 31,
2014	District 1 Member	Jack Buell	January 2012 – December 31,
2013	District 2 Member	Bill Stellmon	January 2012 – December 31,
2012	District 3 Member	Tony Black	January 2012 – December 31,
2014	District 4 Member	Kevin Iverson	January 2012 – December 31,
2013	District 5 Member	Evan Hayes	January 2012 – December 31,
2012	District 6 Member	John Pocock	January 2012 – December 31,

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board accepts the recommendations of the Motor Vehicle Administrator, establishing the Trucking Advisory Council with members and terms of service; and

BE IT FURTHER RESOLVED, that the Board appoints these persons to positions and terms of service on the Trucking Advisory Council as follows:

2014	Council Chair	Bill Moad	January 2012 – December 31,
2014	District 1 Member	Jack Buell	January 2012 – December 31,
2013	District 2 Member	Bill Stellmon	January 2012 – December 31,
2012	District 3 Member	Tony Black	January 2012 – December 31,
2014	District 4 Member	Kevin Iverson	January 2012 – December 31,
2013	District 5 Member	Evan Hayes	January 2012 – December 31,
2012; and	District 6 Member	John Pocock	January 2012 – December 31,

BE IT FURTHER RESOVLED, that the Board directs staff to provide the necessary administrative support to the Trucking Advisory Council for the efficient and timely disposition of their duties to the Board.

Annual Aeronautics Report. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen reported on some of the state’s aviation activities. The Environmental Impact Statement for relocating the Hailey Airport has been suspended due to issues with the Endangered Species Act and costs. Options to make the current airport viable are being considered. The City of Burley is continuing efforts to relocate its airport. A new Federal Aviation Administration (FAA) bill is under consideration. The current extension will expire on January 31, 2012. A \$100 fee for general aviation flights is being discussed to help pay for some of the associated costs, which is of major concern to the AAB and the aviation industry.

AAB Member Mark Sweeney reported on charter and corporate aviation. The volatile nature of fuel costs continues to be a concern; however, there is optimism that business will increase in 2012. AAB Member Chip Kemper summarized the firefighting and agriculture-related activities. Both of those industries are seeing an increase in activity.

Aeronautics Administrator (AA) John DeThomas shared concerns related to meteorological test towers. The towers are difficult to see, creating a hazard. There has been some discussion on possible legislation to address that. Staff has been working with other entities on the comprehensive airport land use planning legislation. It appears there is broad support for the legislation. Although the Governor did not allow the proposed legislative changes to aircraft and pilot registration, AA

DeThomas believes the legislation should be submitted again next year. The DMV modernization project has a component for aircraft and pilot registrations. He believes it would be efficient to have DMV assume the registration responsibilities. In closing, he said that usage of the King Air was down in 2011, partly due to some misunderstandings. The King Air's flight hours decreased 11% from the previous year and the number of passengers transported declined 24%.

The Division of Aeronautics' staff provided reports on the various programs. Funding for the Idaho Airport Aid Program is \$660,000, but is expected to decrease to \$475,000 in FY13 due to declining revenue. The Division has established a process to use term agreements. Twelve firms have been selected for planning and/or developing projects. Pavement condition inspections were conducted at 32 airports. The five-year statewide Capital Investment Program is being developed in partnership with the FAA. This will help prioritize aviation projects. A 2010 Airport System Plan concluded that Idaho's aviation industry generates \$2.1 billion in economic activity and supports tens of thousands of jobs. The volunteer program continues to provide valuable assistance to the Department, as 1,300 man hours were recorded in 2011 performing activities such as mowing, painting, rodent control, and repairing fences at the 31 state-owned airports. Efforts are underway to update and enhance the volunteer network for search and rescue efforts. In 2011, there were 34 aviation accidents with 14 fatalities in Idaho.

In conclusion, AAB Chairman Sorensen recognized Chairman Manning and Vice Chairman Blick for their extensive service on the Transportation Board and to ITD.

Chairman Manning thanked the group for the report and the AAB Members for their assistance and dedication to the Department.

Old Business. Staff reviewed the legislative proposals presented to the Board last month allowing interest from the Rural Economic and Integrated Freight Transportation Program Fund (REDIFiT) to be used for periodic rail plan updates and the proposal to extend the expiration date on identification cards and drivers' licenses for persons who will be out of state for an extended period of time. Staff has no concerns with the intent of the REDIFiT proposal and has no technical issues with the drivers' license concept.

Member Gagner made a motion to accept staff's review. The motion was seconded by Member Horsch and passed unanimously.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:40 PM; however following adjournment, a program was held in recognition of Chairman Manning's service on the Board and his extensive service to the State of Idaho.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
February 9, 2012
Boise, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

January 11, 2012

Idaho Transportation Board Chairman Darrell V Manning called a special meeting of the Idaho Transportation Board at 10:35 AM on Wednesday, January 11, 2012. The following were present at the Idaho Transportation Department in Boise, Idaho:

Darrell V Manning, Chairman
Jerry Whitehead, Member – District 3
Brian W. Ness, Director
Larry Allen, Deputy Attorney General
Sue S. Higgins, Executive Assistant and Secretary to the Board

The following participated via teleconference or videoconference:

Gary Blick, Vice Chairman – District 4
Jim Coleman, Member – District 1
Janice B. Vassar, Member – District 2
Dwight Horsch, Member – District 5
Lee Gagner, Member – District 6

Executive Session on Personnel and Legal Issues. Member Horsch made a motion to meet in executive session at 10:35 AM to discuss personnel and legal issues as authorized in Idaho Code Section 67-2345(a) and (f). Member Whitehead seconded the motion and it passed 6-0 by individual roll call vote.

A discussion was held on legal/personnel matters.

The Board came out of executive session at 12:05 PM. No final actions or decisions were made.

WHEREUPON the special session of the Transportation Board adjourned at 12:05 PM.

signed

DARRELL V MANNING, Chairman
Idaho Transportation Board

Read and Approved
January 18, 2012
Boise, Idaho