

WORKSHOP AND REGULAR MEETING
OF THE IDAHO TRANSPORTATION BOARD

April 27-28, 2016

The Idaho Transportation Board met at 2:30 PM on Wednesday, April 27, 2016 at the Idaho Transportation Department in Boise, Idaho. The following principals were present:

Jerry Whitehead, Chairman
Lee Gagner, Vice Chairman – District 6
Jim Coleman, Member – District 1
Janice B. Vassar, Member – District 2
Julie DeLorenzo, Member – District 3
Jim Kempton, Member – District 4
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

FY17-21 Statewide Transportation Improvement Program (STIP) Workshop. Staff summarized the FY16 Program. The initial Program totaled \$190 million; however, the final Program delivered by April 2016 totaled \$420 million. Projects were advanced due to additional funding from various sources, including the additional revenue the 2015 legislature provided, the federal Fixing America's Surface Transportation (FAST) Act, and savings. It was noted, however, that the state's bridges are continuing to age and there is a growing backlog of lane miles that need to be improved.

Discussion followed on the pavement and bridge conditions; the emphasis on safety, mobility, and economic opportunity; the data and tools used to make decisions that will provide the highest return on investment; and where to invest funding in FY21. The consensus was to target \$135 million for pavement, \$87 million for bridges, and \$44 million for the Strategic Initiatives Program, which now includes the Freight and Rail Crossing Programs.

Chairman Whitehead thanked the staff members for the informative presentation and for their exemplary efforts to deliver the FY16 \$420 million program.

WHEREUPON, the workshop ended at 4:20 PM.

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The Board convened at 8:30 AM at the Idaho Transportation Department in Boise, Idaho. All members were present.

Chairman Whitehead welcomed Representative Phylis King to the meeting.

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Election of Vice Chairman. Member Horsch made a motion to elect Lee Gagner as vice chairman. Member Kempton seconded the motion and it passed unanimously.

Board Minutes. Member Coleman made a motion to approve the minutes of the regular Board meeting held on March 23-24, 2016 as submitted. Member Horsch seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:
May 18-19, 2016 – District 5
June 15-16, 2016 – District 3
July 27-28, 2016 – District 1

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

RES. NO. WHEREAS, consent calendar items are to be routine, non-controversial, self-
ITB16-12 explanatory items that can be approved in one motion; and

WHEREAS, Idaho Transportation Board members have the prerogative to remove items from the consent calendar for questions or discussion.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of FY16 National Summer Transportation Institute award; the advance of Broadway Avenue Sidewalk, Kooskia; the addition of local Bicycle Parking Main Street Station Phase 1; the addition of Dynamic Message Sign, Jerome County; FY16 Mid-year Programming Plan; I-90, Kingston Interchange #43, Shoshone County; SH-5, Railroad Bridge, Plummer; I-90, Mullan to Montana, Eastbound and Westbound; and contract awards.

1) Add FY16 National Summer Transportation Institute (NSTI) Award. ITD applied for and received an NSTI Discretionary Grant in the amount of \$72,611. The grant will be given to Idaho State University to promote Science, Technology, Engineering, and Math with an emphasis in transportation. Two summer camps will be held to encourage students to consider transportation-related careers of study in their higher education pursuits and provide awareness about transportation careers to middle school and high school students. Staff requests authority to add this project to the Program in FY16 and to amend the FY16-20 STIP accordingly.

2) Advance Broadway Avenue Sidewalk, Kooskia. Staff requests authority to advance the \$219,000 Broadway Avenue Sidewalk, Kooskia project, key #18679, from FY17 to FY16 and to amend the STIP. The funds to cover the advancement are made available through the unobligated balance in the Local Highway – Transportation Alternatives Program.

3) Add Local, Bicycle Parking Main Street Station, Valley Regional Transit (VRT) Phase I to FY16. The Community Planning Association of Southwest Idaho requests the addition of the \$20,000 Local, Bicycle Parking Main Street Station, VRT Phase I project to the FY16 Transportation Alternatives Program – Transportation Management Area Program. Funding is available through previous programming adjustments and the increase of funding from the federal FAST Act. Staff also requests authorization to amend the STIP.

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4) Add I-84, Dynamic Message Sign, Jerome County to FY16. Staff requests approval to add the I-84, Dynamic Message Sign, Jerome County project to FY16 for \$320,000 and to amend the STIP. The project was initially funded with the District 4 Operating budget; however, because the funds should be tracked, they will be transferred to Contract Construction.

5) FY16 Mid-Year Programming Plan for the FY16-20 STIP. Additional funding has become available from the federal FAST Act, favorable bids, project closeouts, salary savings, and because of projects that were advanced at the end of the previous fiscal year. Staff presented the plan to utilize the available funds for cost increases and advancing about 35 projects statewide totaling over \$100 million in fiscal years 2016 and 2017. The majority of projects are for pavement preservation and restoration. The plan also delays five projects to FY17. Staff requested approval of the plan, as shown as Exhibit 468, which is made a part hereof with like effect, and authority to amend the STIP.

6) I-90, Kingston Interchange #43, Shoshone County. Parametrix was selected to provide design services for the I-90, Kingston Interchange #43 project, key #19133. The initial scope was approved at \$340,200 and was completed in March 2016. During the initial design work, several critical design constraints were identified, including existing substandard vertical curves and sight distances at the existing interchange and ramps, additional coordination with the Federal Highway Administration, and more in-depth analysis of improvements and permit coordination because the project is located within a flood plain. The total services required from Parametrix are estimated at \$1,200,000. Staff requests approval to exceed the consultant agreement obligation limit of \$1,000,000 by \$200,000 for the I-90, Kingston Interchange #43 project.

7) SH-5, Railroad Bridge, Plummer. Staff requests approval to exceed the consultant term agreement limit of \$500,000 by \$99,000 for the SH-5, Railroad Bridge, Plummer project, key #12864. Ruen-Yeager, Inc. was selected to provide limited construction engineering staff augmentation services for the above-referenced project. During construction, the project encountered contractor-caused delays that require work to extend significantly beyond the completion date. ITD construction staff returned to their winter maintenance responsibilities, so Ruen-Yeager, Inc. provided additional staff to replace the ITD staff. ITD and the contractor agreed that consultant services that extend past the completion date and are beyond that normally expected by ITD are to be reimbursed by the contractor. For project continuity and inherent project knowledge and project immediacy, District 1 recommends retaining Ruen-Yeager, Inc. as the provider of construction engineering services. The additional work is estimated at \$164,600, exceeding the \$500,000 limit for a task agreement. The amount also exceeds the \$1,500,000 limit for all task agreements on a specific project, with a total of \$1,797,141.

8) I-90, Mullan to Montana, Eastbound and Westbound. GeoTek, Inc. was selected to provide limited construction engineering staff augmentation services for the I-90, Mullan to Montana project. As construction continues, the scope of services needed has significantly increased. This is due to technicians leaving ITD. To make up for this staff shortfall, GeoTek, Inc. can provide the additional staff augmentation. Close-out support will also be needed. For project continuity and inherent project knowledge and project immediacy, staff requests approval to exceed the consultant term agreement limit of \$500,000 by \$474,800 for the I-90, Mullan to Montana, Eastbound and Westbound projects, keys #12293 and #12967.

9) Contract Awards for Approval. The low bids on the following projects were more than ten percent over the engineer's estimate, requiring justification.

Key #18939 – SH-25, Intersection Baseline Road, Minidoka County, District 4. The major differences between the engineer's estimate and low bid were in the Cross Traffic Warning Beacon, Transverse Rumble Strips, Seeding, and Mobilization items. The Rural Intersection Warning Beacons have not been installed in Idaho before, thus the engineer's estimate was primarily based on material costs from vendors with a large markup. Contractor unfamiliarity with the type of work along with the small quantity of work likely resulted in the higher bid. The project is somewhat urgent due to its safety benefits. Staff recommends awarding the project. Low bidder: Balanced Rock Electric, Inc. - \$139,733.

Keys #19767 and #19768 – I-15, Inkom Port of Entry Weigh-In-Motion, Northbound and Southbound, District 5. The main discrepancy between the engineer's estimate and apparent low bid is in the 2" Install Conduit and Mobilization items. The conduit was originally for Schedule 40 PVC but was changed to 80. It appears the Mobilization estimate was for only one project instead of two. District 5 does not believe it would be beneficial to re-advertise the project and recommends awarding the contract. Low bidder: Concrete Placing Company, Inc. – \$595,745.

Key #13558 – US-30, Georgetown Creek Bridge, Bear Lake County, District 5. The main differences between the engineer's estimate and low bid were in the Dewatering Foundation and Mobilization items. The Dewatering Foundation variance is likely due to the uncertain amount of water that will have to be dewatered. The creek is not controlled and the amount of water could vary. Georgetown is a remote location and likely resulted in the higher Mobilization bid. The bridge needs to be replaced. Staff does not believe a benefit would result from re-bidding the project and recommends awarding the project. Low bidder: Cannon Builders, Inc. - \$789,015.

Informational Items. 1) State FY16 Financial Statements. Revenues to the State Highway Account from all sources were ahead of projections by 6% at the end of February. Of that total, receipts from the Highway Distribution Account and Fuel/Registration were ahead of forecast by 5.8% or \$9.2 million. State revenues to the State Aeronautics Fund were ahead of projections by 23.5% or \$372,000. Expenditures were within planned budgets. Personnel costs had a savings of \$8.5 million or 10.5% due to vacancies and timing between a position becoming vacant and being filled. Expenditures in Contract Construction were below last year for the time period July 1 through February 29 by 7.4%.

The balance of the long term investments was \$109 million at the end of February. These funds are obligated against construction projects and encumbrances. This investment amount and the \$66 million in cash are the largest combined cash/investments balance as of the end of February in any of the previous four years. Factors contributing to this include the new revenue approved by the Legislature in 2015 and revenue coming in ahead of the forecast in both FY15 and FY16. Expenditures for GARVEE projects through February exceeded \$18 million.

2) FY17 Appropriation. ITD's final FY17 appropriation totals \$713,937,500 with 1,678 full-time equivalent positions. The revenue includes \$354.9 million from state sources, \$354.5 million from the federal government, and \$4.6 million from other sources.

3) Monthly Reporting of Federal Formula Program Funding through March. Idaho's FY16 obligation authority is \$270.9 million. This corresponds to \$267.8 million with match after a reduction of prorated indirect costs. Idaho received its full year of \$289.8 million formula apportionments from the FAST Act. Obligation authority is 93.5% of apportionments. Of the \$267.8 million allotted, \$137.4 million in funding remains.

4) Non-Construction Professional Service Contracts Issued by Business and Support Management (BSM). The BSM Section processed three professional service agreements in the total amount of \$112,120 during March.

5) Contract Awards and Advertisements. Key #13386 – US-95, Long Bridge and Pedestrian Bridge Repair, District 1. Low bidder: The Truesdell Corporation - \$1,972,972.

Key #13405 – US-95, Benewah County Line to Worley, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$2,133,919.

Key #12290 - SH-5, 4th Street to Junction SH-3, St. Maries, District 1. Low bidder: Accelerated Construction & Excavating LLC - \$1,160,115.

Key #13003 – US-95, Whitebird Hill Passing Lane, District 2. Low bidder: Knife River Corporation – Northwest - \$726,000.

Key #13006 – US-95, Culdesac Canyon Passing Lane, District 2. Low bidder: West Company Inc. - \$1,144,294.

Key #18918 – Canyon Creek Road Shoulders and Signing, Mountain Home Highway District, District 3. Low bidder: Staker & Parson Companies dba Idaho Materials - \$157,110.

Key #13033 – SH-55, Intersection Karcher Road and Nampa-Caldwell Boulevard, District 3. Low bidder: Knife River Corporation – Northwest - \$1,184,168.

Key #13391 – SH-19, Succor Creek Bridge, Owyhee County, District 3. Low bidder: Knife River Corporation – Northwest - \$2,869,322.

Keys #13927 and #13928 – I-84, North Locust Grove to Cloverdale Road, Ada County and Branstetter Street to Junction I-184, Garden City, District 3. Low bidder: Staker & Parson Companies dba Idaho Materials - \$2,281,128.

Keys #18912 and #13530 - US-26, Stockpile Road to Shoshone and Gooding to Stockpile Road, District 4. Low bidder: Western Construction, Inc. - \$3,620,817.

Key #13526 – FY17 District 4 Signal Upgrades. Low bidder: Cache Valley Electric Company - \$259,368.

Key #13560 – I-15, FY17 District 5 Bridge Preservation. Low bidder: D L Beck Inc. - \$1,532,852.

Key #13097 – US-91, Preston South City Limit to Junction SH-34, District 5. Low bidder: Legrand Johnson Construction Company - \$1,355,454.

Key #13552 – US-30, Soda Springs West City Limits to Bear Lake County Line, District 5. Low bidder: Staker & Parson Companies dba Jack B. Parson - \$3,245,034.

Key #13117 – I-15, Downey Road Overpass Interchange #31 to Virginia Interchange #36, District 5. Low bidder: Knife River Corporation – Northwest - \$3,854,961.

Key #14045 – US-26, Holmes Avenue to Junction SH-31, Bonneville County, District 6. Low bidder: H-K Contractors, Inc. - \$1,691,377.

Key #13399 – SH-32, Badger Creek Bridge, Teton County, District 6. Low bidder: Cannon Builders, Inc. - \$1,116,614.

Key #14047 – US-93, Junction SH-75 to Ellis, Custer County, District 6. Low bidder: Geneva Rock Products, Inc. - \$700,000.

The list of projects currently being advertised was provided.

6) Professional Services Agreements and Term Agreement Work Tasks Report. From March 1 through March 31, 44 new professional services agreements and work tasks were processed, totaling \$5,038,773. Ten supplemental agreements to existing professional services agreements were processed during this period in the amount of \$730,700.

7) FY16 Repurposing of Previously Earmarked Funds. Federal earmarked funds originally slated for specific projects more than ten years ago can now be repurposed to other existing or new projects within fifty miles of the original project location. ITD has two projects that qualify for use of these earmarked funds totaling \$3.1 million: US-95, Alderson Lane to Kootenai River Bridge, Bonners Ferry and SH-55, Smiths Ferry to Round Valley.

Director's Report. Director Ness reported on various awards and commendations the Department and employees received. He started his annual employee visits in District 2 this week. These meetings will focus on success stories and innovations. The National Work Zone Safety Week was held earlier this month to coincide with the beginning of the construction season. This year's Leadership Summit will be a Rapid Innovation Event where teams will be assigned an actual problem to solve.

Chief Deputy Stokes reported on the Highway Safety Summit held last month with approximately 200 participants. Efforts are continuing on updating the Strategic Highway Safety Plan. He also mentioned that the Division of Motor Vehicles is undergoing an organizational structure change to facilitate better coordination by eliminating offices working in silos.

Chief Operations Officer (COO) Jim Carpenter said the US-20, Thornton Interchange construction project is proceeding well. The bids on the US-95, Council Alternate Route project have been opened and the contract should be awarded soon. Staff hopes to accelerate the right-of-way acquisition process on the US-95, Thorn Creek to Moscow project. The additional

projects funded with the 2015 revenue increase and Surplus Eliminator are progressing well. SH-14 experienced another landslide last week, resulting in the road closure. All of the additional debris, approximately 125,000 cubic yards, was contained. None went into the river. Federal funds should be available for the additional clean-up costs. The Department applied for federal grants for the US-95, North Corridor Access Improvement; the US-95, Thorn Creek to Moscow, Phase I; and the I-84, Franklin to Franklin projects.

Chief Human Resources Officer (CHRO) Brenda Williams summarized the new, simplified hiring process.

Chief Administrative Officer Char McArthur reported on some organizational changes, including the consolidation of the Budget, Economics and Research, and Transportation Investment Offices into the Financial Planning and Analysis Office; the establishment of a Continuous Improvement Facilitator; and the hiring of Chris Victory as the Chief Information Officer. She summarized the March financial statements, which continue the trend of revenues exceeding the forecast. The Department entered into an agreement with FHWA for a fixed rate of 11% for cost recovery for the next four years. Staff is providing training on cyber security to all employees. The Innovate efforts have resulted in savings of \$833,000 and 19,900 hours.

The Director's entire report can be viewed at <http://itd.idaho.gov/Board/report.htm>.

Internal Review Annual Report. Principal Auditor Mike Cram summarized the Internal Review Office's 2015 activities. The number of employees decreased from 5.5 to 3. Seventy-three external assignments were completed. A review of overhead rates resulted in a 2% reduction on \$30.3 million in contracts, for a \$230,000 savings to ITD. The internal assignments consisted of an Aeronautics' follow-up, training on grant management, a project service order contract management review, and a district records inspector/independent assurance technician close-out. The 2016 work plan includes reviewing 60-80 overhead rates, updating the Management Control System process, division budget reviews in conjunction with the Financial Planning and Analysis Office, assisting with the project accounting close-out process, and follow-up on the District Records Inspector review.

Chairman Whitehead thanked Mr. Cram for the informative report.

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

Chairman Whitehead welcomed Representative Melissa Wintrow to the meeting.

Highway Safety Awards Presentation. Highway Safety Manager (HSM) John Tomlinson recognized Senior Deputy Jim Long with the Ada County Sheriff's Office for his assistance and active involvement in highway safety. Mr. Long has been instrumental in the e-Impact Program and training. HSM Tomlinson also thanked Steve Grant with ITD's Office of Communication for his tireless work on and passion for highway safety. He has provided valuable assistance with various highway safety campaigns.

April was Distracted Driving Awareness month, according to HSM Tomlinson. One of ITD's activities to raise awareness of the dangers of distracted driving was a high school competition in partnership with KTVB. He showed the winning 15-second Public Service Announcement.

FY16 Board Unallocated Funding for FY17 Strategic Initiatives Program Fund Development. COO Carpenter said the Department received \$57 million in FY16 state funding for the Strategic Initiative Program Fund. Projects selected for this funding came from the FY16-20 approved Idaho Transportation Improvement Program and were delivered for advertisement. Funding for the FY17 Strategic Initiative Program Fund is uncertain and will not be known until mid-July because it comes from surplus revenue to the state's General Fund. To provide for Program stability and to reduce the backlog of aging and commerce-restricting bridges, he recommends funding groups of Design Build bridge projects with future Strategic Initiative Program Funds. A number of bridges suitable for Design Build have been identified; however, these projects are not currently in the Program, so funding for development is not available. In order to get the projects ready for advertising in January when ITD expects to receive spending authority, he requested approval to use almost \$1.5 million of Board Unallocated Program funds to secure resources to scope and provide initial design concepts required for the Design Build contract solicitation.

Vice Chairman Gagner 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 to
ITB16-13 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, state, local, and private capital investment funding; and

WHEREAS, the Board had set aside \$5 million of Board Unallocated funds in FY16 to use at the Board's discretion, of which \$1.48 million is currently available; and

WHEREAS, staff is requesting funds to expedite the development of selected Design Build bridge projects in preparing for the FY17 Strategic Initiative Program Funds; and

WHEREAS, staff will be prepared to expedite contracting of the selected Design Build bridge packages once funding is approved; and

WHEREAS, staff is seeking development funds from the FY16 Board Unallocated Program in the amount of \$1.48 million to allow funding for design now.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of the State, Strategic Initiative Program Fund project to FY16 of the Program and to

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designate the funding program for this project to come from the State funded Board Unallocated Program; and

BE IT FURTHER RESOLVED, that the Board approves the use of the State Board Unallocated funding of \$1.48 million in FY16 to design selected bridge projects; and

BE IT FURTHER RESOLVED, that staff is authorized to amend the FY16–20 Statewide Transportation Improvement Program accordingly.

Human Resources Annual Report. CHRO Williams reported on the structural changes, with six managers overseeing safety, Civil Rights, training, and personnel issues. The group has been focusing on ensuring supervisors hire the right people for the right positions, promoting a constructive culture, holding employees accountable through performance plans, and improving the hiring and interviewing process.

Chairman Whitehead thanked CHRO Williams and staff for the informative presentation.

Wellness Program Annual Report. Wellness Coordinator Pauline Davis said the Wellness Program continues to offer a variety of preventive health care benefits. It provides education, resources, and events to promote healthy lifestyle habits. Some of the activities conducted last year included on-site health clinics, flu shots, and the annual fitness challenge. Blue Cross of Idaho also sponsored a wellness incentive for state employees.

Chairman Whitehead thanked Ms. Davis for the report and for her efforts on this important program.

Policy Review. Jared Holyoak, Transportation Alternatives Program (TAP) Manager, proposed new Board and Administrative Policies 4081 and 5081 Transportation Alternatives Program to replace Board Policies 4023 Community Choices for Idaho; B-11-03, Transportation Enhancement Program; and B-11-07, Safe Routes to School Program. Policy 4081 addresses programming TAP projects and program management. The corresponding administrative policy identifies eligible projects and provides a funding distribution range, elaborates on the programming process, and establishes a recommendation committee to review and recommend projects to the Board.

Member Kempton made a motion to approve Board Policy 4081 Transportation Alternatives Program and to accept Administrative Policy 5081 Transportation Alternatives Program. Member Vassar seconded the motion and it passed unopposed.

Executive Session on Personnel and Legal Issues. Member 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 74-206, (b), (d), and (f). Member Vassar seconded the motion and it passed 6-0 by individual roll call vote.

Discussions were held on personnel and legal matters.

The Board came out of executive session at 2:40 PM.

Old Business. Vice Chairman Gagner referenced last month's motion on the request to designate SH-13 as a 129,000 pound truck route. Staff asked for clarification on submitted applications.

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

RES. NO. WHEREAS, the Idaho Transportation Department received a request to designate
ITB16-14 SH-13 as a 129,000 pound truck route; and

WHEREAS, staff processed the request and the Chief Engineer made a recommendation to the Transportation Board Subcommittee on 129,000 Pound Truck Routes to approve the request; and

WHEREAS, the Subcommittee failed to pass a motion to present a recommendation to the Idaho Transportation Board at its January 19, 2016 meeting; and

WHEREAS, at the Board's March 24, 2016 meeting, the Board determined that due to pending negotiated rule-making concerning all permitted trucks on Idaho highways, including 129,000 pound vehicles, and other considerations, that it would be prudent to hold the request in abeyance until the negotiated rule-making process has been completed; and

WHEREAS, the Board unanimously approved a motion to hold the SH-13 129,000 pound truck route request; and

WHEREAS, the Board also unanimously approved a motion that all other 129,000 pound truck route requests be held in abeyance until the negotiated rule-making has been completed; and

WHEREAS, staff has asked for clarification about the Board's motion to hold requests in abeyance. Specifically, staff asked whether it should accept or reject applications for 129,000 pound truck routes.

NOW THEREFORE BE IT RESOLVED, that 129,000 pound truck route applications may be submitted to the transportation department during this time; and

BE IT FURTHER RESOLVED, that staff is directed to follow the process for route applications received during this time, including the review, analysis, and public hearing if appropriate; and

BE IT FURTHER RESOLVED, that a route application may be submitted to the Board Subcommittee on 129,000 Pound Truck Routes, but the Subcommittee will

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not take any action on the application until after the negotiated rule-making process has been completed.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:45 PM.

signed

JERRY WHITEHEAD, Chairman
Idaho Transportation Board

Read and Approved
May 19, 2016
Pocatello, Idaho

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