# Montana Transportation Commission

## May30, 2013 Meeting Helena, Montana

#### IN ATTENDANCE

Kevin Howlett, Transportation Commissioner, Chairman Barb Skelton, Transportation Commissioner Rick Griffith, Transportation Commissioner Carol Lambert, Transportation Commissioner John Cobb, Transportation Commissioner Pat Wise, Deputy Director MDT Dwane Kailey, MDT Engineering Lynn Zanto, MDT Kevin Christensen, MDT Tim Reardon, MDT Jim Skinner, MDT Jake Goettle, MDT Chuck Nemfakos, MDT Lori Ryan, MDT Kevin McLaury, FHWA Chris Kelly, HDR Cary Hegreberg, MCA John Prinkki, Carbon County Commissioner Joann Blighton, HD 59, Carbon County

*Please note:* the complete recorded minutes are available for review on the commission's website at <u>http://www.mdt.mt.gov/pubinvolve/trans\_comm/meetings.shtml</u>. You may request a compact disc (containing the audio files, agenda, and minutes) from the transportation secretary Lori Ryan at (406) 444-7200 or <u>lrayn@mt.gov</u>. Alternative accessible formats of this document will be provided upon request. For additional information, please call (406) 444-7200. The TTY number is (406) 444-7696 or 1-800-335-7592.

## **OPENING – Commissioner Kevin Howlett**

Commissioner Howlett called the meeting to order. After the pledge of allegiance, Commissioner Howlett offered the invocation. Commissioner Howlett welcomed John Cobb as a new Commission member. He thanked Commissioner Winterburn for her service and noted she will be missed; she represented her District well.

We have a short agenda today. We are on the rebound from an extensive and exhaustive trip yesterday touring the eastern part of the state. We spent a lot of hours in the air and a lot of hours in the Van. It was good to see the impacts of the development in eastern Montana and the condition of the roads. He thanked Commissioner Lambert for her hospitality and said the staff did a great job of informing the Commission of what was going on.

## Approval of Minutes

The minutes for the Commission Meetings of March 26, 2013, March 28, 2013, April 9, 2013, and April 23, 2013 were presented for approval.

Commissioner Griffith moved to approve the minutes for the Commission Meetings of March 26, 2013, March 28, 2013, April 9, 2013, and April 23, 2013. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

## Agenda Item 1: Local Construction Projects on the State and Federal Highway System In Billings and Kalispell

Lynn Zanto presented the Local Construction Projects on the State and Federal Highway System in Billings and Kalispell. Under MCA 60-2-111 "letting of contracts on state and federal aid highways," all projects for construction or reconstruction of highways and streets located on highway systems and state highways, including those portions in cities and towns, must be let by the Transportation Commission. This statute exists to ensure safety of our system, protect transportation investments, and encourage better coordination between state and local infrastructure improvements. MDT staff reaches out to local governments to solicit local projects on state systems to ensure compliance with this statute.

The cities of Billings and Kalispell are planning to design and build transportation improvement projects on the State Urban Highway System. Attachment A lists the locations, scopes, estimated costs, and funding sources for the projects along with location maps. The projects will be designed with input and concurrence from MDT staff.

*Summary:* On behalf of the local governments, as required by MCA 60-2-111, Planning staff requests that the Transportation Commission delegate authority to these local governments to let and award contracts for the projects indicated in Attachment A.

Staff recommends the Commission approve the projects and delegate its authority to let, award, and administer the contract for these projects to the local governments, pending concurrence of MDT's Chief Engineer.

Commissioner Griffith asked if any local government has the authority to let and award their contracts or is it just metropolitan areas. Lynn Zanto said that all local governments can request to do work on our system and let and award their contracts. It is money they have control over from their local funds received from city fuel tax or other areas. As per state statute, cities and counties get an allocation of fuel tax or they might have implemented an SID and collected some local funds. They can spend that money at a local level. It only comes before the Commission if it is on the State Highway System.

Commissioner Skelton moved to approve the Local Construction Projects on the State and Federal Highway System in Billings and Kalispell. Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

## Agenda Item 2: MAP 21 Expanded NHS

Lynn Zanto presented MAP 21 Expanded NHS to the Commission. The Intermodal Surface Transportation Efficiency Act of 1991 authorized establishment of a National Highway System (NHS) that would be the primary Federal focus of the post-Interstate era. Four years later, the National Highway System Designation Act (of 1995) was signed into law.

The purpose of the National Highway System is to provide an interconnected system of principal arterial routes which will serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations; meet national defense requirements; and serve interstate and interregional travel. Under SAFETEA LU, rural and urban principal arterials were included as part of the NHS.

#### **MAP-21**

Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21; Section 1104) required the expansion of the National Highway System (NHS) to include <u>all</u> principal arterials that were not part of the NHS prior to the enactment of MAP-21, provided that they meet connectivity requirements. The legislation also eliminated the statutory mileage cap. As a result of the expansion, on October 1, 2012, approximately 125 miles (mostly in urban areas) were added to the NHS in Montana per federal law. FHWA based the automatic additions on the Highway Performance Monitoring System (HPMS) data available to them at the time.

MDT may request the addition of routes to the NHS if the segments are functioning as rural or urban principal arterials now or are an extension of an existing principal arterial, or the removal of routes. Any changes will occur through a standard process, to include communication with the appropriate local governments and approval from the Transportation Commission and FHWA Headquarters.

As a result of additional mileage to the National Highway System, states have been required to review logical transportation termini and connectivity to ensure that both system and functional classification requirements have been met. MDT staff assessed affected routes and conducted functional classification field reviews as needed and notified local governments. These changes do not impact existing maintenance responsibility or local funding commitments for these routes. Urban funded projects will continue under the funding plan determined at the initiation of their respective planning processes.

*Summary:* The attached tables summarize staff assessments. The tables and maps are organized by numeric District, followed by cities in alphabetical order.

Staff recommends the Commission approve functional classification and system action revisions as presented in Attachment A (maps) and Attachment B (table). These actions are contingent upon FHWA approval.

Commissioner Griffith asked if there was a value in making the changes. Lynn Zanto said we are subject to National Performance Measures under MAP 21. These measures mostly apply to the National Highway System therefore we are going to have to establish measures and targets and reporting to Federal Highways. If we aren't making a good faith effort toward our goals, we could have some repercussions. For instance, when we look at Deep Creek Canyon from a connectivity standpoint we don't see value in putting it on the National Highway System. It is currently on the Primary Highway System; we still have access to those funds, we can still give that road attention but we won't be subject to National Performance Measures on that route. Commissioner Griffith asked if it makes the national pool of money more competitive because we've added more things. Lynn said that is correct. There are no additional funds that come with this, it just opens up eligibility and makes more miles eligible for National Highway System funding. Most of these routes are already on the primary system. Commissioner Griffith said Deep Creek is not much different than Hwy 191, so what's the argument against it? Lynn Zanto said now that we're subject to National Performance Measures, your performance in the Butte District will be more constrained if you add both Deep Creek Canyon and Gallatin Canyon. Those corridors are very limited in what we can do so if we have to live up to some unknown performance measures it may jeopardize our overall performance at the national level and there could be repercussions. Since it's already on the Primary Highway System we can propose primary funding to do things in Deep Creek Canyon. I believe we'll have more flexibility and less risk if we keep it on the Primary Highway System.

Lynn Zanto said the other change is over by Billings on Route 312 which parallels the Interstate and heads north out of Billings. That route was also one that the District

Administrator asked I look into. In looking at the intent of the National Highway System for Interstate and Inter-regional travel and corridors of national significance, I have a hard time justifying it because it parallels the interstate. The District Administrator is comfortable with whatever we decide to do.

Commissioner Lambert asked about the routes being proposed to come off the system, are those routes you've decided can't be justified. Lynn Zanto said that is correct.

Lynn Zanto explained the changes by District (Attachment B). Everything in black represents actions already taken by Federal Highways; that happened October 1<sup>st</sup>. Anything in red is a requested removal. Anything in green is a requested addition. The blue boxes are roads that were added by Federal Highways on October 1<sup>st</sup> – you aren't taking any action on those.

#### District 1

<u>Kalispell</u> – we have one proposed addition (US 2 LaSalle Road). This addition will extend the National System Road all the way up to MT 40. Our justification is that it serves the Airport and is another connection to Glacier Park.

We are requesting the removal of Montana 35 mainly because it ends at the urban boundary. Instead we are proposing to keep it as a Primary Highway which will be available for primary highway funds and end the National Highway System Route at the intersection with LaSalle Road.

<u>Missoula</u> – W Broadway, Russell, Stephens Ave/Orange St, Brooks St/Higgins Ave/S 6<sup>th</sup> St, Madison St/W Broadway St/Van Buren St, Arthur Avenue, Madison St/S 5<sup>th</sup> St/Higgins Avenue are now all National System Routes.

We are proposing two removals in front of Grizzly Stadium. They include South 6<sup>th</sup> St/Maurice Ave/Madison St. The other one is 5<sup>th</sup> Street. The reason for recommending removal from the National Highway System is that a project was completed last summer that totally changed the traffic patterns in that area. These roads are not functioning as principal arterials and therefore not eligible for the National Highway System. That would involve functional classification changes to local roads and removal from the system.

Two additional changes in Missoula are West Broadway St and Old Hwy 10 West which goes out to the Airport off Reserve Street to the Interchange. The Missoula Airport is serving an Interchange that connects to US 93 which goes up to the Canadian border. So it makes sense to extend it as part of the National Highway System. That would be reclassified as a principal arterial.

## District 2

Anaconda. Nothing in Anaconda was changed so it is not listed.

<u>Belgrade</u> – Jackrabbit Land and Main Street to Jackrabbit Lane have already been put on the System. We are proposing to remove Main Street to Bollinger Road. That was a principal arterial but it is ending at the urban boundary and has no connectivity. So we are proposing to remove it from the National Highway System and remain an Urban Highway System Route.

<u>Bozeman</u> – North 7<sup>th</sup>, Huffine Lane/Main Street, and North 19<sup>th</sup> Avenue we're added by Federal Highways. We have one requested removal – North 19<sup>th</sup> Avenue. It is a small tiny segment north of the Interstate which connected to an Urban Route. We are recommending leaving that an Urban Route. One addition is Huffine Lane as you leave the Bozeman urban area and it goes west to Jackrabbit Lane. We are proposing to add this for connectivity purposes and access from Bozeman south to the Park. Commissioner Griffith asked about North 19<sup>th</sup> – they recommended adding North 19<sup>th</sup> from Main Street to the Interstate, but we only have that one section that connects this to the National Highway along the old Frontage Road. Lynn Zanto said the Frontage Road is not a National Highway.

<u>Butte</u> – Federal Highway added four segments – Iron St/Montana St/Park St/ Arizona Avenue/Utah Avenue/Front St/Harrison Avenue that connects into Excelsior Street, Montana Street to Iron Street, and Front Street to Montana Street. There are not changes in Butte.

<u>Livingston</u> – Park Street to I-90 was added by Federal Highways that connects to I-90 S Livingston. Again it is a stub at the urban boundary. Our proposal is to extend it to the Interchange east of Livingston.

## District 3

<u>Great Falls</u> – Federal Highways added the Vaughn Road Northwest Bypass, 6<sup>th</sup> Street SW, Central Avenue/1<sup>st</sup> Avenue, 2<sup>nd</sup> Avenue, Park Street, 14<sup>th</sup> Street S/14<sup>th</sup> Street North, and 15<sup>th</sup> Street S/15<sup>th</sup> Street North. We're okay with all of those.

We are requesting two removals - 9<sup>th</sup> Street S/9<sup>th</sup> Street N. Our primary reason is that it is a locally maintained urban route and is eligible for urban highway funds. The other is Vaughn Road. My staff did a field review per district request and it was their opinion that road is not serving the inner regional movement and should not be on the National Highway System. That will require a functional classification change to a minor arterial.

<u>Helena</u> - Federal Highways added Montana Avenue from Lyndale to Cedar Street; Last Chance Gulch to Cedar Street. We are okay with that. We are recommending removal of three for the same reason as in Great Falls – they are currently locally maintained urban routes. If they were subject to National Highway System standards that would be troublesome, so we are recommending removal of them.

## District 4

<u>Glendive</u> – Federal Highways added two routes: Alder Avenue/Towne St/Merrill Ave which is the main portal through Glendive and MT 16. We have one addition – W Towne Street which is the southwest part of Glendive. That would involve classification change as well.

<u>Miles City</u> – Federal Highways added three routes; Main Street/Valley Drive and Main St/Haynes Avenue, and N 7<sup>th</sup> Street. They all end in stub routes. We have some additions for connectivity purposes – Old Hwy 10 on the west side of Miles City. It would essentially extend the NH route to the Interchange. Old Hwy 12 is on the east side of Miles City and would extend the stub route to the Interchange and connect it. MT 59 heads north out of Miles City. We are recommending connecting it to the next NH System which is MT 200.

<u>Sidney</u> – Federal Highways has added Central Avenue Holly Street to the urban city limit. We are proposing to add Central Ave/W 9th Street/Ellery Avenue/MT 200 which would extend that route up to the border at Fairview.

## **District 5**

<u>Billings</u> – In Billings it seems almost every other street is classified as an Urban Principal Arterial but they are locally maintained. Federal Highways has added Shiloh Road, Zoo Drive, King Avenue, Laurel Rd/Montana Avenue/N 18<sup>th</sup> Street. We are requesting to remove Shiloh Road to Rimrock Road, 24<sup>th</sup> Street W to King Avenue, 17<sup>th</sup> Street W to Grand Avenue, 15<sup>th</sup> Street W to Central Avenue, 5<sup>th</sup> Street W/Virginia Lane to Montana Avenue, Division Street to 1<sup>st</sup> Avenue N, Rimrock Road to N 27<sup>th</sup> Street, Grand Avenue to Shiloh Road, Broadwater Avenue to Shiloh Road, Central Avenue to Shiloh Road, Central Avenue to Shiloh Road, Central Avenue to Montana Avenue, 4<sup>th</sup> Avenue N to Main Street, 6<sup>th</sup> Avenue N to Main Street. This action will not impact maintenance jurisdiction. Maintenance jurisdiction has always worked through the district and the city and that will continue. We are requesting one addition on State Avenue/1<sup>st</sup> Avenue S as it connects to Laurel Road/Montana to 27<sup>th</sup> Street. That is signed now as a truck route.

<u>Laurel</u> – the main road through Laurel is 1<sup>st</sup> Avenue and Main Street and Federal Highways has added that route. The only addition is extending that to the Interchange east of Laurel on Old Hwy 10.

<u>Lewistown</u> – Federal Highways has added 1<sup>st</sup> Avenue N/Kendall Road and Truck Bypass/6<sup>th</sup> Avenue W to the National Highway System. We are okay with that. We are proposing additions of Truck Bypass US 87 West of Lewistown and US-191to provide connectivity.

Other additions – MT 41 to I-15 Dillon Interchange, MT 41 to Rams Horn Street.

Commissioner Griffith said we shouldn't be changing our performance standards. Right now our performance standards on primaries are downgraded because Deep Creek is in the mix. If add them to the National Highway System, that will lower the performance standard especially in my district. I don't see the value ... one way or the other we're going to have a negative performance on that section of road so isn't there a better expectation of funding by being on the National Highway System than on the Primary System? Lynn Zanto said under current law with our federal funding we are able to fund the Primary System and the National Highway System. We have flexibility to transfer 50% between the National Highway System funds and STP funds. That allows our P3 Process to work and to allocate funding accordingly. The Department has never taken the position to put it on the National Highway System. I looked at the truck volumes and traffic and making the case to Federal Highways for inter-regional connectivity. It's kind of a duplicate route to the Interstate. I was having a hard time finding the rationale. Regarding performance, if we don't meet the intent of Federal Highways on performance, our federal share can go down to 65% for the program. Commissioner Griffith asked if there was an assumption that once we add these to the system, the performance will either go up or down but most likely go down. Then that's the new base rather than what we used before. That needs a bunch of work and even the work we have planned in there, we're just redoing bridges and we're not doing anything to straighten the curves. Commissioner Howlett said that is one of the constraints; there isn't much you can do. If we put this on the National System, the standards are going to go down and we could lose money because we're not meeting the standard unless there is an exception in the federal law if you can't do anything about it. Commissioner Griffith said that argument is right if you assume there is nothing we can do. I agree with that but I'm not sure there is nothing we can do.

Kevin McLaury said we don't know what the standards are yet because they haven't been set. The Department is playing the "what if" game. Lynn is very involved in this; she is part of the ASSHTO Committee that is trying to help establish these performance requirements. She has a finger on the pulse of where this is headed because she is a part of that group. We don't quite know exactly what is going to happen. You make a good argument about putting it on but then we're not sure what the ramifications will be. Commissioner Griffith said he didn't want the logic of that argument to be carried forward to US 191 because there is nothing we can do because we're constrained by the river and rocks. We've been making small steps in the death rate in that area and the accident rate. That keeps us trying to improve that area. I'm okay with it; I just wanted the logic thought out. Lynn Zanto said they won't ignore that corridor; we will do things if we're able but we may not be able to live up to the performance expectations at the national level.

Lynn Zanto said that ends my review of the additions and deletions. With that, I recommend that the Commission approve the functional classification of the system action revisions and the updated MAP 21.

Kevin McLaury said one the requirements for the NHS System is that it needs to connect to an Interstate or another NHS System. As you come out on 2 in Butte, the addition looks as though it's stubbed. Are we actually stubbing that? Lynn Zanto said the federal requirements say you can't have a stub. We have made a concerted effort to have connectivity for our whole system. This is the one anomaly to that. If we were to extend that it would leave Butte and go through Pipestone Pass which is another very constrained corridor and add another issue for overall performance in the Butte District. Therefore we did not request putting that on, however, we are requesting to do MT 41 as you head south to Whitehall into Dillon. We understand it doesn't meet the connectivity vision, so it will be our one anomaly. We believe MT 41 functions much more like the National Highway System.

Commissioner Griffith moved to approve the MAP 21 Expanded NHS. Commissioner Lambert seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

## **Carbon County Functional Classification Review**

Lynn Zanto presented the Carbon County Functional Classification Review to the Commission. At the request of the Carbon County Commissioners, MDT conducted a functional classification review of a portion of West Fork Road (MDT Local Road #05008). The reviewed route originates at the junction with US-212 near the town of Red Lodge and extends in a southwest direction for approximately 2.9 miles until the pavement ends and it junctions with Ski Run Road (MDT Local Road #05009). West Fork Road is currently classified as a minor collector; however, the route was once classified as a major collector.

The subject roadway provides access to the Custer National Forest with its numerous developed sites, the Absaroka-Beartooth Wilderness, the Red Lodge Mountain Resort and numerous rural subdivisions. Regular year-round recreation users come from Red Lodge, Carbon County, the Billings area and surrounding communities, as well as northern Wyoming.

The subject roadway also provides access to the federally-owned Palisades Communication Site, the Carbon County communication repeaters, as well as the state/county law enforcement communication repeaters. Verizon Wireless and other cell phone sites are also located on or near Red Lodge Mountain Resort and accessed via West Fork Road.

<u>Functional Classification</u>: This is a method of classifying roads by the service they provide as part of the overall highway system. The Transportation Commission approves functional classification of public roadways at the state level with final approval by the Federal Highway Administration (FHWA). MDT, coordinating through the Carbon County Commissioners, requests Transportation Commission approval of the following functional classification change:

 Reclassify the 2.9 mile segment of West Fork Road (MDT Local Road #05008) from its intersection with US-212 to its junction with Ski Run Road (MDT Local Road # 05009) from a rural minor collector to a rural major collector. *Summary:* MDT staff is asking the Transportation Commission to revise the functional classification for the subject segment of West Fork Road (MDT Local Road #05008) in Carbon County. MDT has coordinated these recommendations with the Carbon County Commission.

Staff recommends Transportation Commission approval of the following:

Revise the functional classification from minor collector to major collector on West Fork Road (MDT Local Road #05008) from the junction with US-212, extending southwest for approximately 2.9 miles to the junction with Ski Run Road (MDT Local Road # 05009). Please see attached map.

#### John Prinkki, Carbon County Commissioner

I'm here today to visit with you about the Clark Fork River Project in Carbon County. I've been a County Commissioner for 24 years and I've been working on this project for almost that entire time. We've been working on trying to get improvements made to West Fork Road for many years and have tried many different avenues to get there including getting preliminary engineering for the Bagger Road block. Thanks to Senator Baucus and Senator Conrad Burns we got \$350,000 in 2005 to do PVR and now we're at the point where we've got a fourth highway project.

The section of the West Fork Road under Carbon County jurisdiction that we are proposing to have a functional reclassification and placed on the state's Secondary Highway System is 2.9 miles long and extends from the intersection of US 212 to the intersection of Ski Run Road and the Forest Service boundary. It is somewhat unique in that the right of way for West Fork Road is owned by Carbon County and the right of way for Ski Run Road, formerly known as Griffick Peak Road is owned by the state of Montana. It was originally designated as Secondary 274 around the early 1980's. An agreement was done between the Federal Highway Administration, the Forest Service and Montana Department of Transportation for Carbon County to maintain that section of the road.

As County Commissioner I can appreciate MDT's position of no net gain in Secondary road mileage. I also am prejudice toward no net gain in county road mileage because of our limited budgets. However, we would create Road Improvement Districts to allow both communities to participate and to leverage our money so that they can make improvements to their local roads which is similar to what we propose to do with the Montana Department of Transportation for the West Fork Road. We've already put substantial investment into the West Fork Road in anticipation of Forest Highway funds only to have the funding change. We have an agreement with the Federal Highway Administration, Division of Western Federal Lands and the Forest Service that we signed in June a year ago for a \$4.5 million construction project. The total project is close to \$8 million with engineering. In July of 2012 Congress adopted a new MAP 21 which removed Forest Service Highway Project Funding and rolled it into the Federal Lands Access Program (FLAP). The Federal Lands Access Program now requires a 13.42% match. Just for the construction portion of our project it is \$738,000; \$900,000 towards the whole project for contingency engineering.

We approached the Montana Legislature asking them if they could help us find matching money and we're working with Senator Baucus's office to see whether they can resolve the issue with the few projects where we had Forest Highway Funding prior to the law change in July 2012. It would reinstitute not having a requirement on those budgets. Carbon County, Stillwater County, and Beaverhead County had Forest Highway Projects that got caught in that mess. Hopefully Congress can resolve the issue. At the state level, we had very good support for HB599 which was presented by Representative JoAnne Blighton. It successfully passed the House and got to the Senate Finance Committee but died for political reasons on the Senate floor. One of the requirements in HB599 was that in order for the State of Montana to consider putting any money into that program West Fork Road had to be reclassified as a major collector and be accepted onto the Sate Secondary Highway System. That's why I'm here today to ask that the Montana Transportation Commission and MDT to consider adopting the functional reclassification of West Fork Road as a main collector and placing it on the State Highway Secondary System with county maintenance. Our reasoning for that is that we are in hopes that we will be able to apply for other funding possibly through the Legislature or other methods if the Commission agrees so that we can complete this project. I don't know how much detail you'd like me to go into to present this but I don't want to take too much of your valuable time.

The information provided to you on HB 599 that we presented to the Montana Legislature talks about the economic impacts. This is related to any transportation project. It's a very good investment for the State of Montana. It returns that money maybe six times and the State of Montana gets its revenue back directly through income taxes related to the construction jobs and the ancillary community jobs related to the construction. There would be nearly 75 construction jobs related to this project. I think roughly for every one million dollars of road project funding, there are 14-15 jobs created. That's a substantial income tax return to the State of Montana for that investment.

The West Fork Road is highly critical not only to Carbon County but the entire Billings District region. There are many ski visitors that come. Aside from all the recreational value and all the tourists, there are 350 residents up there. The ADT was justified through the designation of the Forest Highway Program and the fact that the West Fork Road under the Forest Highway Program was the number one listed project in the State of Montana. That alone should let you know that it is a valuable project and justified for funding. However, we got caught with the newly required matching funds. That's why we're here to ask you to help us get that designation as a major collector and have it designated as a State Secondary Highway.

This is our third attempt and I believe this time it will be designated as a major collector but the most important thing for us is that you also consider listing it on the State Secondary Highway System. We hope that you will give due consideration to that. I know that Carbon County does not have Secondary Highway mileage to exchange. We have 421 that goes between Jolliet and Columbus, and then we have Hwy 78 that goes from Red Lodge to Bell Creek which is a State Secondary Highway as well. The State of Montana ended up taking care of the Secondary Road in 1995. We have no Secondary highways to exchange, however, the Yellowstone County Billings area has miles that might be considered for that. I don't know if that's bankable or not but I'd appreciate it if you would consider that. At any rate I'm available for any questions. Thank you for hearing me.

Commissioner Howlett said he would entertain more discussion from people who have traveled up here.

#### Representative JoAnne Blighton

I'm a little outside my comfort zone. Everything I've done since I ran for office has been outside my comfort zone and it's all still a learning process. I think you want me to elaborate a little bit on HB 599 in support of Commissioner's Prinkki's request here today. Commissioner Howlett said his assumption was that she was here to strengthen the Commissioner's request in representing that Legislative District and we'd like to hear from you. I support Commissioner Prinkki and I'd like to tell you a little bit about HB 599 and how it came into being. It was an appropriations bill. Commissioner Prinkki came to me and asked for help with the West Fork Road and explained the shortage on MAP21 and how they were caught in the middle of a situation that in my opinion felt like we should have matching funds on some of those projects. I don't like to ask for money and I don't like to spend money; we need return on investment and economic impact. He went to work and put forth a program that showed we needed to draft a bill and ask the state to help us with the funding. That's not the primary purpose for me being here today, the primary purpose for me being here today is to ask for your blessing for having that 2.9-mile sector of West Fork Road endorsed as a State Secondary that joins the remainder of the road that goes to the ski lodge. When we get through that process then we will move on and start looking for funding again for that project.

So HB 599 was drafted, put together, we made some changes and it came out of House Appropriations 21-zip. They said it's a good project and it deals with safety concerns; it's good for the State of Montana with a proven economic impact and return on investment. Then it came out on the House floor and passed 77-22. Again I was pleased that it moved on. It got over the Senate Finance and we had some blips there but finally got it out of the Committee by one vote. It got to the Senate floor and went down in flames.

Part of the condition of that Bill was to have the state secondary designator on that 2.9 mile road that starts at 212 and goes up to the Red Lodge Ski Resort. I think all of you good folks who travel and see our beautiful state appreciate infrastructure because without that we don't have business and we don't have roads. The state secondary designator on that section of road will afford us an opportunity to start looking for funding for that project. As typical with the Federal Government, we're \$17 trillion in debt and offer money but then decide we have to have some matching funds. Well the matching funds on that project are \$738,000. I know the Carbon County area and if we started now, in my lifetime we couldn't raise enough money to build that project.

Our primary request to this great Commission and the fine effort that you do to help the state with the infrastructure is to help us get the State Secondary designator placed on that 2.9 miles of roadway. Then it will be up to us to come back again and work with some of the good folks here to look for funding for the project. It's a pleasure to be before you. I thank all of you for what you do for the State of Montana and for traveling to Helena today. I know some of you came from over in my neck of the woods and it's a little hike to get here. That roadway does face safety concerns and with improvements we will have more traffic up to the ski lodge and will probably have more homes built there. I considered HB 599 the best job's bill we had all session because the immediate impact will be 75 jobs. They won't be fulltime jobs but we know roads aren't built overnight so we have that impact, the payroll, and the return back to the community and to the state with tourism coming into that area. It's a great, great project if we can get the State Secondary designator to help the safety issue there. Then I'll come back and ask for funding and ranking on that project. Again, thank you for the privilege of being here this morning.

Commissioner Howlett asked for clarification. The request to put this into the State Secondary System, did the department take a position in support of this HB 599 as presented? What was the official department position? Lynn Zanto said the department's position was informational. Commissioner Howlett said we can't do this today, but I think it's something we want to learn more about. He asked about what was being requested and how it might fit into the system. Lynn Zanto said in January she received an initial request to go out and look at the functional classification of the road. We did that and then a month later we received a request for Secondary designation. We did our field review and determined it is functioning as a major collector. That is the action I'm putting before you today requesting that we revise it to a rural major collector contingent on Federal Highway approval. The way funding works on the Secondary Highway System is there is a formula that distributes the funding to each of the systems. There are factors that can have some impact on whether the road can be put on the Secondary Highway System. If we had mileage to take off, I'd be recommending that we put it on the system. I'm not bringing that recommendation forward because of that particular condition. Our policy set by the Commission states that if mileage is being requested to be added to the system there should be some removal. As Commissioner Prinkki noted that roads on the system now are pretty vital secondary highway systems and we can't afford to remove those.

In the statute the ratio of how the funding gets distributed 30% is based on land area, 35% on rural population, 30% on rural road mileage and 5% on bridge square footage. If you add to the system in one district it has an impact in the other districts in terms of the funding allocation. Everything Commissioner Prinkki presented to you is right. This is a project that got stuck in the middle of two federal transportation bills. Under the old program the project was prioritized and it is still a priority with Western Federal Lands. The design is continuing with Forest Highway Funds so design is in progress. Where the issue is going to come about is when it is time to let that project and construct it. In that regard the way the Federal Land Access Program looks now, the Forest Highway funds may or may not be depleted and it will then switch over to the FLAP funding which requires a match for the county. There are a couple of things there – this road and that program is the top priority for the next construction project. There is a Western Federal Lands project that will be completed this summer up in the Libby area – Pipe Creek Road. Everything I'm hearing is that project may be coming in under budget and the Project Decision Committee has already made the decision that any excess Forest Highway Funds will go to the West Fork Road. So it's a little bit unknown but that amount may be \$138,100.

Commissioner Howlett asked if they could use that money as the match. Lynn Zanto said you can't use it as a match but it would lower the amount of match they'd have to come up with. Commissioner Prinkki is pursuing every avenue for funding and it is also on Senator Baucus's radar as well. Recently Congress passed the Water Resource Bill and there was an amendment proposed by Senator Baucus to bring this issue before Congress. Commissioner Skelton asked if there was 2.9 miles somewhere else in the district we could remove from the Secondary System, is that a possibility? Lynn Zanto said I'm not aware of any. Commissioner Skelton asked if it was a one-to-one exchange. Commissioner Howlett said it is. Commissioner Skelton said we'd have to find those miles somewhere. Commissioner Lambert asked if it had to be in the same district or can it be is some other district? Lynn Zanto said that it is the Commission's discretion. Traditionally other districts don't want to give up any miles. Commissioner Prinkki said he couldn't definitively say that there were 2.9 miles in the district. It has been suggested there are; it has to do with urban/rural secondary roads going into more of an urban setting and there's an exchange between the City of Billings and Yellowstone County. I don't understand the law all that well but that was suggested. Commissioner Howlett said it is not unheard of that we would talk about giving up something to get a project done in another area. We've had that discussion before. I think we have to keep in mind that while we're protective of the issues in our district, we also work for the state of Montana. We figured out a way to get the Big Mountain Project done. We seem to be able to figure out ways to get certain things done when it's the Administration's desire that it gets done. If you've been working on this for 20 years, it's time to come to some resolution on it. We're here to try and help you do that. I don't know what our possibilities are but I'd like to know what they are. If there are opportunities, I'd like to give Commissioner Skelton the opportunity to look at the Secondary miles in her district. There may be some possibilities there and I think we owe that to the integrity of this project. It's a high priority both with Federal Lands and the County

and it seemed to be with the majority of the Legislature. So let's band together and figure out how we can be of assistance. There is a safety issue there.

Commissioner Griffith asked if they'd looked at a Special Improvement District, a Tax Increment District. Commissioner Prinkki said they do have a Resort Area Tax District in place. The district involves the whole West Fork drainage area. The only business up there generated about \$50,000 last year. Commissioner Griffith said with \$50,000 you should be able to bond \$700,000. Commissioner Prinkki said they are looking at that avenue. I don't know how well off the ski area is but I know Big Sky has pledged monies specifically to the airport to do air service to get people to the ski hill. Maybe the ski hill could help with the pledge. While I'm in agreement that we ought to get this done, just putting it to the Secondary System doesn't help us get funding. If somehow it is a Primary Road, we'd be a lot closer to getting this done, but we've had projects on the Secondary System that are almost 20 years old. So that doesn't guarantee help with the funding situation. I think we're all in agreement that we'd like to help. Commissioner Prinkki said that is why they are looking at more than one avenue. We are hoping there are some remaining Forest Highway funds. Senator Baucus is working on some legislation to allow those Forest Highway funds to be used as match money so it would be the full use of those dollars. We're also looking at the resort tax. We've used a lot of that money already but in addition to the 2.9 miles that are paved, there is another 3 miles that is gravel and we need that money to maintain that road as well. It's not Big Sky and is a little more difficult to do and would be a smaller stream of revenue. If we looked at this as a \$900,000 pie, we could take bits and pieces out of it incrementally then we could eventually get the project funded. We have yet to sign a Federal Lands Access Program Agreement and that should be done in the next few months. Western Federal Lands still has roughly \$400,000 in engineering funds and they are roughly at 60% design on the project. My understanding is that after the Project Agreement is signed we have three years to access to funds, so it's quite possible that if we had the Secondary Highway designation, whatever funding gap is left, we could ask the Montana Legislature for. We need to take small bites. Getting that road designated as a major collector and asking the State of Montana to list it as a Secondary road, knowing that the State of Montana won't be responsible for any other funding then it does open doors for Carbon County to access other funds. That would really be of benefit to open other doors.

Commissioner Prinkki asked when this would be addressed by the Commission. Lynn Zanto suggested waiting to see how Pipe Creek Road turns out with remaining Western Federal Land funds. Then see through the summer how the Transportation bill goes and wait until later in the calendar year to address this. My staff can investigate all the possibilities. Commissioner Howlett said he would expect a report by the next meeting. We will make that report available to Carbon County also. Commissioner Skelton asked if she could include a time line of when some of the other things will happen. Commissioner Howlett said that when the Commission sets actions for future events, he would like to have the Commission apprised of the status of those actions as a tag to their agenda.

Commissioner Griffith moved to approve the Carbon County Functional Classification Review and ask staff to visit the DA to determine exchange miles in the district. Commissioner Skelton seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Public Comment

#### Red Lodge Mountain

Thank you for your service. At Red Lodge Mountain we see about 100,000 skier visits per year. On a peak day we'll have over 1,000 vehicles up there. As Commissioner Skelton said, sometimes it is a challenge to get up that road. So it's in our best interest to get that road improved and improve the experience of our guests and grow our business. Our payroll is over \$2 million at the ski area. The Forest Service did an Economic Impact Study of the ski area on Carbon County, and by their figures we create 190 direct and indirect jobs in addition to our business for an impact of \$4.82 million dollars on the county. Of our visits, only 13% come from Carbon County; the rest comes from Billings and eastern Montana. Since the inception of the Special Improvement District our company has paid about \$170,000 and a good portion of that has been spent in preparation of this project. Thank you for your time.

#### Cary Hagreberg, Montana Contractors Association

Our office is here in Helena but I actually live east of Townsend on the way to Deep Creek. It's a scenic route and we really enjoy it. I can attest that reconstruction of that road would be very difficult. It almost washes out every spring and I'm sure that the environmental analysis of any reconstruction would demonstrate that it should have never been built in the first place. I would ask that you consider taking all public comment before you take action on an issue; it makes it a little easier to comment on something before the actions been taken.

The Contractor's Association did support the legislation to rebuild West Fork Road. I guess I'd offer a little bit of editorial comment as well. In my former career, I worked for the forest products industry and back in the "good old days" when the US Forest Service harvested timber, 25% of the revenue from a Forest Service timber sale went to support local roads and schools in the various counties. When the Forest Service got out of the business of managing and harvesting timber, that funding source dried up. Now it takes a General Fund Appropriation to fund the roads in Western Federal Lands. We need to find a way in Montana to address the kinds of funding concerns that have been brought to you this morning and those that you witnessed yesterday in Eastern Montana. I talk closely with my colleagues in North Dakota where I grew up. When I moved to Montana I heard a lot of jokes about North Dakota and I never understood that but I think we might be able to say now that the jokes on us. The North Dakota Legislature just appropriated, in conjunction with their Governor, \$2.5 billion for infrastructure improvements in the State of North Dakota. About \$1 billion of that is going to roads at the local and state level. One could argue that North Dakota has more money than we do right now because of their oil boom. What you experienced yesterday would demonstrate that there are impacts on eastern Montana roads and bridges in that area occurring as a result of that oil development activity. We've got to figure out a way to bolster funding for highways and roads in Montana. We hear it every single legislative session from the counties that they don't have viable resources to maintain and reconstruct the county roads, the urban areas are lacking, and we're simply not keeping up. We see it ever single month.

We meet with Kevin's staff and our Highway Technical Committee is constantly raising the cost of building highways through tighter specifications, through new federal programs, materials cost, oil costs, diesel fuel costs, equipment costs. The cost of building highways is going up every single year and yet our federal funding has remained static if we're lucky. We're grateful when we get a Continuing Resolution from Congress that leaves our funding levels at static current levels. That means we're falling behind every single year. So the challenge I would throw out on behalf of our industry and our Association, is that we work together to find ways of approaching the next legislative session and to figure out ways we can approach our elected officials and our voters to garner more resources to build roads in Montana. I see examples of it all around us – the state of Wyoming has bolstered highway funding with General Fund appropriations, the state of North Dakota just did it, we heard requests in this Legislature and those were turned down. If we plan ahead and strategize maybe we can come up with a better mouse trap and we can get it done next session.

One of the messages that our Association is trying to convey to Legislators is that we've been saying for decades that Montana needs to be open for business. How can we be open for business if our transportation infrastructure can't accommodate it and if our local communities don't have water and sewer facilities that will accommodate new industrial growth and new subdivisions and new businesses? So what you folks are dealing with is part of the challenge of being open for business. You heard a presentation this morning from Carbon County saying that they have business waiting to come to their community and it's a challenge to get them there safely. It's an open ended invitation to work with us to identify ways to meet some of the requests coming in that we all know are needed and are worthwhile. Thank you.

Commissioner Howlett said this onion called the economy has 50 skins – 50 states. It seems to me that the infrastructure in this country, while the core of that onion is largely ignored for the gridlock in Washington and we all suffer from that. We ought to find a way to put the priorities of this country first. We're engaged in two wars for eight years that weren't paid for. There's just an awful lot wrong that can be fixed but we've got to urge people to come together and figure out how to get it done instead of "just saying no or just saying yes". The two extremes have to meet in the middle and get this country's work done. That's what we attempt to do here. We're democrats and republicans but we figure out a way. We know that we work for the people of the State of Montana. We don't work for a political party.

## Agenda Item No. 3: 2013-2017 Statewide Transportation Improvement Program

Lynn Zanto presented the 2013-2017 Statewide Transportation Improvement Program to the Commission. In order to spend funds on federally supported surface transportation projects, federal law requires Montana to submit a Statewide Transportation Improvement Program (STIP) to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) for approval. The STIP includes projects that MDT plans to program for preliminary engineering in the current federal fiscal year as well as other phases necessary to move projects forward during the next five federal fiscal years. The following is a list of most of the federal funding programs included in the STIP:

- Federal-aid highway programs such as the National Highway Performance Program (NHPP), Surface Transportation Program (STP), Highway Safety Improvement Program (HSIP), Congestion Mitigation and Air Quality Improvement Program (CMAQ) and the Transportation Alternatives Program (TAP).
- Federal Lands Transportation Program
- Federal Lands Access Program
- Tribal Transportation Program
- Federal Transit Programs
- Discretionary Programs
- Aeronautics Program
- Earmark Projects

The STIP provides an opportunity for the public to comment on new projects. It also demonstrates that funding is reasonably expected to be available for the various project phases that will move forward in the next five federal fiscal years. If a project has already entered a phase and funds have been obligated, that project will not be shown again in the STIP.

FHWA and FTA approval is based on their finding that the STIP was developed through a process consistent with federal statute. Montana's STIP has been developed according to federal planning requirements. The STIP meets the policy goals and objectives of MDT's 20-year policy plan, TranPlan 21; the Performance Programming Process (P3); and the metropolitan transportation plans developed in Billings, Missoula, and Great Falls.

Prior to submitting the STIP to the Commission for approval, the state is required to conduct a formal public involvement process. This process began on March 8, 2013, when the draft project list was posted on MDT's Web page and the public was notified that it was available for viewing and comment. On March 8, 2013, MDT distributed the STIP edition of the *Newsline* newsletter (construction projects only) and invited public comment. The public involvement process ran through April 6 and was carried out according to all pertinent federal laws including the following:

- 23 CFR 450, Subpart B
- 23 CFR 450.218
- 49 CFR 613.200
- Title VI of the Civil Rights Act of 1964
- Title VI assurance executed under 23 USC 324 & 29 USC 79
- Americans with Disabilities Act of 1990
- 49 CFR 20—restriction on influencing federal activities
- 40 CFR Subpart A of CAAA

MDT mailed the 2013-2017 draft STIP to the Transportation Commission on May 6, 2013. Any comments received during the public involvement period are to be addressed at the May 30, 2013, Commission meeting. I can highlight those briefly.

Some members of the Ekalaka community expressed a need for additional improvements on MT 7 the road between Ekalaka and Baker. We connected them to our District Administrator who will see if there are improvements that can be nominated as projects down the road.

We had a Hardin resident who expressed support for additional improvements on MT 47 in the Billings District, North of Hardin. Again we put that person in touch with our District Administrator who will take a look at future improvements projects.

We had a comment from a group called the Take-A-Break Initiative. They are trying to get support for additional walking paths at rest areas. We have a Rest Area Prioritization Committee that meets monthly and manages our rest areas. When we do build a new rest area we look into those sorts of considerations. We have provided that recommendation to the Rest Area Prioritization Committee.

Miles City had a request for additional projects generally in that area. Again we put them in touch with the District Administrator.

In Billings we had a resident who basically prefers roadway work to sidewalks and bike paths and wants us not to spend our money on non-motorized and prefers to keep the money on the roads. We explained to him that the project he was interested in was funded by the Community Transportation Enhancement Funds and those funds can only be used for enhancement type projects.

There is a Gardner resident who asked for more passing lanes between Gardner and Livingston. We let him know that we have some projects in the works between Gardner and Livingston. They are more preservation work and we passed him on to the District Administrator. We have an Anaconda resident who asked for passing lanes between Great Falls and Havre. He travels that corridor frequently.

We also had the Montanans for Safe Wildlife Passage who, for the last couple of years, has been very good about going through our STIP and looking at projects. Their request was for a GIS map to look through the projects and we provided that to them. They followed up and provided some potential candidates for consideration of wildlife passage. We have a lot of communication with this group and we have educated them on the best time to notify us when they want something. It is easier to build that in at the beginning of a project rather than when we're ready to go to contract. They've been helpful in taking the time to look through the projects.

Federal Highways and Fish, Wildlife and Parks gave us some comments regarding some formatting changes that we will consider.

Department of Environmental Quality gave us some supplementary information related to permitting a project. They looked at it and wanted us to be aware of some permitting issues with the projects.

That is all the comments we received.

The STIP includes proposed highway projects for each of the five financial districts as well as statewide programs. The proposed highway projects include nominated projects that will enter the preliminary engineering phase of project development upon Commission approval. This project list is attached to this agenda item.

Once the Commission approves the 2013–2017 STIP, MDT will submit it to FHWA and FTA for their review and joint finding that the STIP is based on a statewide planning process that meets the requirements of federal law (23 USC 134 and 135, 49 USC 5304 and 5305). Following the federal finding, MDT will program new projects entering the preliminary engineering phase using FFY 2013 funds.

MDT staff recommends that the Commission approve the 2013–2017 STIP and that it add the projects listed in the 2013–2017 STIP that will be entering the preliminary engineering phase during federal fiscal year 2013 to the program. Following approval, these projects will be submitted for programming.

Commissioner Howlett asked if they were approving the design. Lynn Zanto said the Commission is essentially approving the project. You don't approve the individual phases; you approve adding a project to our overall program. The first phase is design but once we are through the design and getting right-if-way, our typical project process, we don't have to come back to you for approval. You've approved the project and we can move through the process and keep the project moving. Commissioner Howlett said we see \$51,000 for Elk Park to Basin but we know that is millions of dollars of project. Lynn said what you are seeing on this list is only the design phase. Commissioner Howlett asked if they were approving the millions. It's not being vetted in the Red Book first? Lynn Zanto said a project cannot get into the Red Book – you won't see it in the Red Book until you have approved it. This is not circumventing the Red Book; they will still get vetted in the Red Book. Lynn Zanto

said I view the Red Book as more of our scheduling document. You have approved the projects in the Red Book at some point and now we're scheduling them.

Commissioner Cobb said the STIP shows projects that address Montana's transportation needs for the year 2013 through 2017. When enlisting testimony for available funding, you get the impression that everything is fine for funding. But we are actually going to be falling behind because we don't have enough resources for rehabilitation and such. So even though P3 works, it just cuts off more projects because there's less money. So it seems to me that it gives the impression we are doing all these things on page 14 about improving and maintaining, but in a sense we're going to have less and less ability to do things in the future. So we're going to be doing less and less projects. Somewhere down the road the Commission will have to decide where we get more money. We don't ever see the list of projects that got rejected or didn't make the list. Lynn said that was correct. We project how much money we believe we are going to have. You are seeing our most optimal project mix for the money that we have based on the needs we know. You are not seeing all the needs. Your comment is well taken in that it is a communication message we need to start to pitch. Commissioner Howlett said we could worry about projects that weren't a priority but we can only do what we can do. You have enough money to do these projects and it's up to the District Administrator and the District Commissioners to move them forward as priorities. There are lots of projects in your district that need to get done and you might agree with that but there aren't enough resources to do that. We've got 30,000 cars going through this intersection every day and we need to take care of that. While there is a record of the ones that get rejected, I think this Commission is burdened enough with just taking care of those that we have the money to take care of. Commissioner Cobb said he just wanted to make clear we're doing this with the money that's available. Commissioner Howlett said that's what we all understand – we have determined we have enough money to do these projects with the existing funding. Now if it changes some things out there in 2017 might get bumped.

Kevin McLaury said when the STIP is provided to me for final signature, I ask if it's fiscally constrained which means that we don't have a bunch of projects in here that we don't have funding for. We're looking at what historically we've gotten federal funding for and make some best estimates about what we feel we are going to be getting in the future. When you look you see the funding going down from the federal perspective, that's reality. So when we do this it has to be fiscally constrained. Commissioner Griffith said if there happens to be an infrastructure bill that could make it through the grid lock in D.C. and there was an opportunity for transportation, we have projects that we can make ready to go. Commissioner Howlett said that's the point of having everything in the program and there are times we have to push stuff back but there are also times like when we got the Stimulus money we were able to push stuff in which had been sitting out there. It works both ways. It has to be a dynamic document that can move. I agree with Kevin that the whole document is fiscally constrained but the only year that's not dynamic is 2013 which is in the books. Everything else can change plus or minus based on the District's needs.

Commissioner Lambert moved to approve the 2013-2017 Statewide Transportation Improvement Program. Commissioner Griffith seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Agenda Item 4: Speed Limit Recommendation Oilfield Avenue (P-67) Shelby

Dwane Kailey presented the Speed Limit Recommendation for Oilfield Avenue (P-67) in Shelby to the Commission. They've added a cross walk as well as some bike paths. They've asked us to look at extending the 25 mph speed zone in that area. We've conducted the speed study, reviewed the accident history and we do believe that extending the 25 mph speed zone is appropriate. We've provided that recommendation to the City of Shelby and they are in agreement with our recommendation. So our recommendation to this Commission is a 25 mph speed limit beginning at the intersection with Main Street and continuing to station 41+00 200 feet north of Prairie Street, an approximate distance of 4,100. It will then transition into a 35 mph speed limit beginning at station 41+00 continuing north to station 39+00, an approximate distance of 800 feet with the City of Shelby's concurrence.

Commissioner Lambert moved to approve the Speed Limit Recommendation for Oilfield Avenue (P-67) Shelby. Commissioner Griffith seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Agenda Item 5: Speed Limit Recommendation US2 – LaSalle Road

Dwane Kailey presented the Speed Study Recommendation for US2 - LaSalle Road to the Commission. This is a request by Flathead County officials to increase the speed. Flathead County has asked us to incorporate their comments into the meeting so we are going to conference them in. At that point, Flathead County Commissioner Holmquist joined the meeting by telephone. We received a request from Flathead County to study the speeds on LaSalle Road. After looking at the accident history and the travelling speeds, our initial recommendation to Flathead County Commissioners was actually a 60 mph speed limit. We presented that the Flathead County Commissioners and they came back with a request that we raise that speed limit to 65 mph because they see that speed as more in conformity with the 85<sup>th</sup> percentile speed.

That would begin at mile post 126.1 and extend north up to the intersection of MT 40 an approximate distance of 7.8 miles. Flathead County Commissioner Holmquist said that was accurate. We thought about it and we do support the 65 mph speed limit change. Commissioner Howlett asked about the crash data and future development out that way, that's a pretty significant jump in speed, has that been thoroughly thought through. Commissioner Holmquist said yes it has; we talked about it and agree. With the four-lane we now have that additional light at the Airport. The only concern I had from a citizen was that the blinking yellow lights need to be adjusted to when the light is going to change. It was staying on all the time instead of coming on when the light was going to change again. Basically that was the only comment we received. Commissioner Howlett said that could be remedied quite easily.

Kevin McLaury said he was curious about what analysis the city or county had used to come to the 65 mph speed limit. Flathead County Commissioner Holmquist said we took the MDT review and documentation and went with that knowing the area and driving it daily. Commissioner Howlett asked Dwane Kailey about the initial recommendation of 60 mph – how did you rationalize jumping that up another five miles per hour; was it just because the Commissioners wanted it? Dwane Kailey said it is on the lower end of the pace so it's in the realm of reasonable in the speed study. The statute says without a specific request from the local government to increase the speed, we can't increase the speed. We looked at the pace to make sure it was on the lower end and also took into consideration that statute. We do have an email from a constituent asking for their opinion to be heard by the Commission. With your indulgence I'll read it to you. This comes from Gary and Kim Clark.

#### Dear Ms. Ryan:

Thank you for speaking with me recently on the phone regarding the proposed increase in the speed limit on US Hwy 2 north of Evergreen to MT 40. My desire is to have my wife's voice heard by the Department of Transportation in this matter before they make their decision. I am opposed to increasing the speed limit beyond its current limit of 55 mph. My family lives just off Birch Grove Road south of the Airport. We travel this highway nearly every day. I feel that increasing the speed in this section will make that highway more dangerous for those of us who live in this area as well as those who are visiting.

Some things I would ask MDT take into consideration before they make their decision are:

- There are businesses along this stretch of highway that have large heavy slowmoving vehicles pulling out. Examples are Knife River with cement dump trucks etc., Peirce RV, and LaSalle East line Veterinary Clinic with horse trailers.
- Crossing all four lanes of traffic without a stop light can be difficult if not deadly. Our lovely neighbor girl who had just turned 18 was killed 10 years ago trying to cross north of the Airport. The speed limit was 70 mph at the time.
- Waiting to make a left turn off the highway from the center lane leaves one feeling very vulnerable as cars are passing you on either side. There is little room for driver error. Increased speeds will worsen this.
- Tourists and visitors who are unfamiliar with this area will be at greater risk for accidents.
- Motorhomes and vehicles towing trailers need extra time to stop. They might not notice or be aware of up-coming stop lights in time.
- From our experience living here, people tend to drive at least five to ten miles per hour over the posted speed limit. This was proven in research for this highway in a Daily Interlake story from May 23, 2013. This story said that 85% of the drivers are driving that fast already 65 mph which is speeding. Yes people are already speeding. It seems strange that just by raising the limit using this reasoning, increasing the speed limit on this stretch of highway could mean that we could see people taking it closer to 70-75 mph.
- I feel this will be a big and disheartening step backwards in the interest of safety of every one who travels this road and it will be much more dangerous. Winter conditions will only compound that danger.

I hope that you will please take all of these factors into consideration as you make your decision on whether to raise the speed limit. I'm writing this as someone who would rather keep the road as it is now at 55 mph hoping we do not have to see more families lose their loved ones in the name of faster travel down this busy highway.

#### Thank you for your time. Kim Clark

Commissioner Howlett asked if the Flathead County Commissioner could respond to that. Commissioner Holmquist said they'd taken into consideration all the documentation that was given to us. We also looked at Hwy 208 which is a two lane highway and that is a 70 mph speed limit and the crash data was not significant even on a two lane. We took that into consideration. With a four-lane and a median and lights we felt it would be good to go with the 65 mph speed limit. Commissioner Howlett asked about making left turns and crossing four lanes. Commissioner Holmquist said there was a median to pull into to make that left turn. The busiest intersections have stop lights and with the median you can safely get out of the traffic lane to make your turns off the highway. As far as coming onto the highway there are no sight restrictions.

Commissioner Howlett asked Dwane about the crash history rate of 2.67 crashes per million vehicles. What is that compared to other areas – is it high or low or average? Dwane Kailey said he doesn't have a statewide average. The overall corridor is .68. It appears that you are looking at a shorter section. It is higher in the southern section than it is in the corridor as a whole. Commissioner Howlett said that in the crash document, it said that 27 crashes were reported within the 55-60 mph speed limit. So there is a certain level of damage at that speed; the higher the speed, the more probability of damage or a higher mortality rate. Where does that factor into this? Twenty-seven crashes are a lot of wrecks. Dwane Kailey said as you know we look at the accident clusters throughout the state. To date I'm not aware that this one has fallen into the category requiring looking at the safety factor in this area. Yes it leans toward the higher severity crashes but what we're seeing here is they are either non mitigatable, there are no counter measures for them, or it is not rising to the level of what other roadways at other locations are rising to. Commissioner Howlett said if they approve the increase in this speed and we start seeing accidents in which there are deaths directly attributable to speed, we can review this and we will review this. Dwane Kailey said absolutely. For everyone's information, we take a hard look at every fatality in the State of Montana. We try to look at the contributing factors and look for mitigation toward that fatality. Some of them, there isn't one. We try to identify what is possible and try to implement those fixes. Commissioner Howlett said let's be clear – this motion infers that we're going to monitor this because the issues raised by the individual are legitimate issues because he lives there. If we see increases that push this road to that threshold, it will be back before this Commission. That is the intent of the motion.

Commissioner Griffith moved to approve the Speed Limit Recommendation for US2 – LaSalle Road. Commissioner Skelton seconded the Motion. All Commissioners voted aye.

#### The motion passed unanimous.

#### Sanders County Speed Limit Request

Dwane Kailey said MDT recently received a letter regarding one of our speed studies from the last Commission meeting that I wanted to present to the Commission. With the exception of Commissioner Cobb, you will fondly remember the discussion we had on this. I did look back into our bidding notes from last time and we did speak specifically to this issue. The County is pointing out is that their initial request was to look at milepost 56 to 59 and then a second section from milepost 64 to 65. To refresh everyone's memory, if you look at page 10 of the meeting minutes, the third paragraph makes it very clear that the Department and the Commission discussed the request versus the area study and your motion clearly set the speed limit to milepost 56 to 69. Sanders County is asking the Commission to reconsider that and bring it back to milepost 65. I would defer to the Commission with a couple of caveats - in the original recommendation where we showed a fair number of animalvehicle collisions, the majority of them were in and around milepost 56 and again in milepost 61 to 64 with some happening around milepost 66 and 67. The second thing I would add is that, from an engineering standpoint, any time you put a gap in between two special speed zones, it's our belief that you're going to have even less compliance with the speed limit. The Department would advocate if you do look at adjusting the speed zone out there, we would advocate that you do not put the statutory limit into the middle of it but maintain one consistent speed zone from the beginning to the end of whatever limits you choose.

You've got the letter from the Sanders County and I believe your options are: (1) do nothing, (2) let your previous motion stand, and/or (3) you can make a motion to amend your previous motion or decision and adjust the speed zones. It is up to you. I'll defer to Tim Reardon on the legal end.

Commissioner Howlett said the motion was not unintentional; it was with the knowledge that we did not want to raise and lower the speed limit between zones because people will want to have their own variation of what the speed limit should be. I wish they were here today to discuss this, but absent their direct input it's still my belief that we ought to keep that speed limit the same all throughout the zone that we set. Commissioner Griffith said he did not see a necessity to change it until we see how it works. It says the local citizens are in an uproar but they asked for this; they asked that the speed be reduced. I've attended meetings with the wildlife people. We've tried to be responsive to what's there. I think it's the length – they want you

to speed up and slow down, speed up and slow down but that's confusing to the traveling motorists. I would give it a season to see how it works. We can look at it again after it's been in effect for a while after the season when the animals have been on the road. This hasn't been there long enough to take a position. I don't take these positions lightly; I take a position only to be asked to reverse it at the next meeting. I don't do that. Commissioner Howlett suggested that when we schedule the next meeting in that district, we could schedule a drive by of this area. Unless there is an objection from the Commission we need to let this stand. We can have a discussion with them. My intention is that it would be in place over the course of the season to see how it works. We'll revisit it if we need to.

Dwane Kailey said it is an interim speed limit. I would advocate that we made our points very well and in reviewing the minutes the Commission took those into consideration. We took into consideration exactly what the County Commission is pointing out here. I think you're fully in line with the direction you're choosing to go at this point in time.

Tim Reardon suggested that a response letter be drafted to the County stating that their request was considered today and that the Commission opted to make no change but will schedule a future meeting at which time they can make their case again but for now you intend to leave it as is for at least one year. Commissioner Howlett directed the Department to draft that letter.

## Agenda Item 6: Letting Lists

Dwane Kailey presented the Letting List to the Commission. To recap how this works for Commissioner Cobb: typically around October/November, the Commission along with numerous staff from the Department get together and have the Red Book meeting. That is where we select the projects based on our projected funding levels. We set the projects for the next five years. We call it the "Red Book". It is also called the Tentative Construction Plan (TCP). It is our five-year schedule for letting projects. However, as we go through the year, whether it is inflation, low bid prices, or changes in federal funding, our plan can change. Our plan is not static; it may need to be adjusted as the year goes on. This year in particular we've had a fair number of low bid prices and therefore ended up with a little bit of extra money that we didn't anticipate. So we bring next year's projects into 2013 that have already been approved by the Commission and let them for contract sooner than what we had originally projected. What I'm presenting to you today is an update to the Letting List. I've given the Commission a list of the projects that we have added into the Letting List for this fiscal year. These are projects you've already approved in the Red Book process but not for 2013. They were approved for future years not this year.

There is one project in here that you did not put into the Red Book. It is a much needed project in Commissioner Skelton's District in and around Fred Robinson Bridge. With all the flooding, we're experiencing the roadway beginning to deteriorate. You did approve the PE or the nomination of the project but it was not ready for you to put into the Red Book last October/November. I want to make sure that you know this is a project that we feel needs to be expedited and brought into the program because of the condition of the roadway. In fact we've got a 45 mph speed limit posted out there right now because of the condition of the road. With the availability of funding, it is one of our number one projects to get in and let this year. I want to be very open and transparent with the Commission and bring out that issue.

So along with that and the other Letting List, the Department would recommend approval of the Letting List as presented.

Commissioner Howlett asked if they were approving the Letting List with these additions. Dwane Kailey said yes. These are already inserted into the Letting List but I'm just making clear what we've added. Commissioner Skelton asked if the Fred Robinson Bridge is the new project being added. Dwane Kailey said yes.

Commissioner Lambert moved to approve the Letting Lists. Commissioner Skelton seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

#### Job Ordered Contracting

Dwane Kailey said they have had a rash of accidents on the Interstate with a number of fatalities. We are going to do our best to start to mitigate those. We've got two projects in the Letting List that were approved through our Safety Program. The only reason I'm pointing them out is that we are actually going through an alternative contracting method that is somewhat new to us called "job ordered contracting." We work with the contractor, they bid certain bid items and then we assign them work as we need the work done. It is consistent with federal rules and FHWA has actually approved an experimental project for us. Kevin McLaury asked if it was like IDIQ which is indefinite duration, indefinite quantity. Dwane Kailey said yes.

Commissioner Cobb asked for an example. Kevin Christensen said we have a number of standard and routine items like traffic signals. If we go through our traditional design bid build process, it's much more cumbersome to program a federal project, get out there, do the surveying, do the design and put together a package and Let it to contract when we know these are routine items that come up frequently. Signing is another example. So we put together a contract with these specific items. The contractors know they are bidding on these units and their prices are going to have to stick for the duration of the contract which is typically a year or two with the option to redo for another year or two. So we've got these specific items that we've got prices on and we've got a contract with the contractor, so when the need arises like the upgrade of an intersection with some new signals, we've got this job order contract in place. So we can call up that contractor and tell him to go replace the signals at this intersection or signs on a roadway. Dwane Kailey said it's a new innovative way for us to do work and it's expediting our process as well. I just wanted to point that out. Commissioner Howlett said you're saving money because you do it once and it's done. Dwane Kailey said it save a lot of time and money.

## Agenda Item 7: Design Build – Great Falls ADA Ramps

Dwane Kailey presented the Great Falls ADA Ramps, Design Build Project and Stipends to the Commission. This is the award of a Design Build Project. Kevin Christensen said this is the Great Falls ADA Curb Ramps Phase 1 project. We're excited about this project because we're taking a different approach. Through our normal process once a project is put together we can issue a Request for Qualifications. We receive the Statement of Qualifications and put together a Technical Review Committee with interdisciplinary people throughout the Department. In this case we also had a member from the City of Great Falls on the Technical Review Committee. They reviewed the Statement of Qualifications and short listed the firms. In this case there were three short listed firms that were invited to submit a Technical Proposal. The Technical Proposal is based on our Request for Proposal which is the document that defines the scope of this project. Those Proposals are turned in and independently scored by the Technical Review Committee. That is based on predetermined criteria that is included in the Request for Proposal so all the firms are well apprised of what we're looking for. The idea with Design Build is that we typically realize contractor innovations at a better price and a better bang for their buck.

So we went through the process and short listed there firms and those firms are listed on the handout that you have in front of you. On the second page you can see what the Technical Proposal scores were on each of the firms. After the Proposals are scored, we receive a Bid Price Proposal and then we arrive at an adjusted score. We divide the Technical Proposal score by the bid price and then the highest adjusted score represents the best value for the Department. In this case you can see James Talcott bid \$1.58 million with a materials bid of \$1,626,276. We're not sure what happened with Diamond Construction but they were out in the stratosphere with \$11 million. Given the Technical Proposal scores the highest adjusted score goes to United Materials and Dowl HKM. As you can see they did have a far superior Technical Proposal.

I'm asking the Commission to: (1) all three firms submitted an acceptable Technical Proposal and there is a stipend associated with that so I'm recommending that the Commission approve the stipend for all three firms; and (2) I 'm asking the Commission to award the project to United Materials Dowl HKM.

Commissioner Griffith asked if this was the second time this has been before the Commission. Dwane Kailey said he did not believe so. Dwane said this is a completely different project and a completely different approach. Commissioner Cobb asked how much the stipend was. Kevin Christensen said \$10,000 for each one. Commissioner Cobb asked if there was anything more they would be doing with the Technical Proposal. Kevin Christensen said they were done with the Technical Proposal. Those are developed by the firms based on our Request for Proposal. Commissioner Cobb asked if the process worked well. Kevin Christensen said the rest of the Districts are looking at using this process because it did work very well. A lot of the ADA ramps need to be designed on the fly. This type of project doesn't fit very well with Design Bid Build. We've been doing them in the past that way but they are very cumbersome.

Commissioner Howlett asked if they spec'd it out and then the contractors respond to the spec. Kevin Christensen said that was correct. They have to meet the ADA standards. As we all know there are sidewalks and corners out there that simply can't meet the standard. In the ADA there are procedures in place for us to conform as best we can and that is all laid out in the RFP. Commissioner Griffith said our system is typically built for sidewalks to be an improvement to a roadway. They are most efficiently constructed as part of that roadway. When the sidewalks get built as a unit by themselves, we've had problems getting bids and had to re-bid and re-bid. Using this method we can get to the project without having to go to the re-bid. Kevin Christensen said that the low bid is not always the best deal for the taxpayer. Design Build really illustrates that because the specs in the proposals is the way the bidder is going to approach the job. There are stark differences here, for example, with James Talcott we specifically asked for a Traffic Control Plan, a Pedestrian Access Plan, a Construction Staging Plan - those items were not included in their Technical Proposal. That's just a high flyover. United Materials and Dowl HKM had a vastly superior Technical Proposal. Their entire approach was superior. They are going to do the ramps by all the schools first in order to get those built before school starts. Those are an added value to the taxpayer.

Commissioner Griffith said this isn't the Commission's first go-around using this system. It's not a bid process. The stipend is another thing. When we pay a stipend, they have to give us their intellectual documents. So we have access to their plans and how they were going to do it and if we can improve something that we're doing, we can do that in the future. That's why we do the stipend – because we own those documents now.

Commissioner Cobb moved to approve the Great Falls ADA Ramps Design Build Project and Stipends. Commissioner Griffith seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Agenda Item 8: Certificates of Completion February & March, 2013

Dwane Kailey presented the Certificates of Completion for February and March, 2013, to the Commission. This is given for your review and approval. The Department recommends approval. Commissioner Cobb asked about Mountain West Holding Company Safety Improvements project listed as "do not approve." Dwane Kailey said he would look into it and get back to him but he believed it was a typo. Dwane said the Commission should approve the Certificates conditionally until this is corrected. Commissioner Cobb asked about the DBE percentage on the projects. Dwane said to date they had not produced anything in that level of detail. If that is something you would like to see I can provide that. Commissioner Howlett said he would like to see that.

Commissioner Griffith moved to approve the Certificates of Completion for February & March, 2013. Commissioner Lambert seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Agenda Item 9: Project Change Orders February & March, 2013

Dwane Kailey presented the Project Change Orders for February and March, 2013, to the Commission. We are submitting these for your review and approval. There are a number of projects which I can go over.

In the Missoula District in the month of February there are two large change orders \$114,000 for Bear Creek South and \$200,000 for Two Kilometers North of Junction MT 200 North. Bear Creek South is on US 93 and is one of the 93 projects. The change order is to accommodate the contractor for additional special borrow. When we design roads, if we determine there is unsuitable material on the ground we design in special borrow. It's basically river rock. We use it to bridge unsuitable material and typically it takes about two feet. However, in balancing the level of investigation and engineering with the cost of actually producing the material or contracting the material, you don't drill every single foot of a roadway so we make an educated guess. At times we see we have underestimated the amount of special borrow needed to build that roadway. This is one of those cases where it is the Engineering Project Manager's leeway to extend or use additional special borrow to build the road in conformity with good engineering judgment. At the same time compensate the contractor appropriately. In that case they've written a change order for borrow for \$10,000.

2 KM North of Montana Junction 200 North. The local name is Blue Slide Road up by Thompson Falls. We've got a similar case where we've run into unsuitable material. To make a good solid road out there, we performed some dig-outs and brought in special borrow to solidify that unsuitable material under the roadway. Commissioner Griffith said that is all rock down there all along the river. Dwane Kailey said a lot of these roadway are old; they were built back in the 1930's and 40's. There is a pneumatic pressure created when a car drives over a roadway. When that happens, if you have moisture in or underneath the roadway, it has the potential to pump up fines into the gravel and into the rock and it consolidates those fines underneath the plant mix. Typically when we open up an existing roadway, we run into "baby poo". If you try and put a scrapper or any kind of equipment on it, they will sink out of sight. The fines have pumped up. The old term "borrow pit" is exactly what it was. When a motor grader built the road, they ran down a path heaving material up and go down the other side and do the same thing building the roadway. They wouldn't strip the top soil off; if they ran into bad material it went into the mix. So you have a lot of that from the past that has contributed to create fines underneath the pavement. That's why we run into some of the inappropriate or less than desirable materials that we end up with. Commissioner Howlett said that after all these years we are finally getting out of the mud in Swamp Creek. Dwane Kailey said it's been a long time.

Commissioner Lambert asked about her District having no change orders. It lists a culvert, but no dollars are associated with it. Dwane Kailey said on the first page you see the dollars for the change orders for the month of February. There is one change order in February that is a "no cost" change order. It simply changed the time on the contract. On the second page for the month of March the Glendive District has \$373,000 in change orders. The change orders are shown in detail on page five. Kevin Christensen said when a contract is bid, the price is set. So anytime there is any change to any contract, it has to be done via a change order whether it's a no cost, time addition, or money, etc. Any time a contract is changed, this is the mechanism used to change it.

If you have any questions on any of the other change orders, please send me an email and I'll get your question answered.

Commissioner Griffith moved to approve the Project Change Orders for February & March, 2013. Commissioner Lambert seconded the Motion. All Commissioners voted aye.

The motion passed unanimous.

## Agenda Item 11: Liquidated Damages

Dwane Kailey presented the Liquidated Damages to the Commission. As a reminder and for information for Commissioner Cobb, when we do liquidated damages, the Commission does not have to take an action. The only action this Commission may take is to waive or reduce the liquidated damages for a contractor. There are three presented to you today.

Contract No. 1 – US 93 & Tyler Way in Lolo. The contractor was South Hills Electric Inc. They have one day of liquidated damages in the amount of 1,473.00. They are not disputing those charges. At the end of a contract we send a report to the contractor which has a "yes/no" box to check if they are disputing the charges. The contractor sends that back to us. In this case the contractor checked the "no" box saying they do not dispute the charges.

Contract No. 2 – Jct I-90 North. The contractor is LS Jensen Construction & Ready Mix. They have 27 days of liquidated damages for the total amount of \$78,003. They are not disputing those charges.

Contract N. 3 – Park City Interchange East. The contractor is Riverside Contracting Inc. out of Missoula. They have 13 days of liquidated damages for a total amount of \$28,860. They are not disputing those charges.

Liquidated Damages stand.

## **Directors Discussion**

Pat Wise, Deputy Director said on behalf of the Director we are in full construction mode and work is going well. The Divisions are pretty busy and the Districts have a lot of work. They were concerned about making sure we got started on time with contracts and everything is happening on time. I'm so glad you got to see the District and the Bakken. We hope you will be able to see other parts of the state as well.

Commissioner Howlett asked about the result of the Department of Transportation submitting a proposal to the Legislature regarding a different contracting method. Tim Reardon said the bill was killed in the Senate Committee. Basically the Senate Highways Committee had some questions about whether we actually needed it and was there some particular difficulty with the current systems we use with design-bidbuild. I still think it is a viable and appropriate approach for the Department to have opportunity to do contracting. Perhaps next time we'll be better prepared to answer those kinds of questions. The bill didn't get out of Committee and we didn't expend a great deal of energy once the bill died to try to get it resurrected.

#### List of Contracted Work in Montana

Dwane Kailey said the Commission asked for a complete list of contracts and the amount of work the contractors are doing out there and I have that for you. If you want this monthly at your regular meetings, we'll be more than happy to provide it. The first page is a summary of work. It shows all the prime contractors that have a contract with MDT. We don't list the subcontractors because they are not contracted directly with MDT. Commissioner Howlett said it would be helpful to work with Civil Rights and add the subcontractors to this list because that is where the DBE's will come in. Dwane said that this report includes any project that is open. When I say open that means any project that has been let all the way through to final voucher. So the contracts you just approved for Certificate of Completion are still in this report even though the work may have been done for as long as six months. All those will still be on the list because they have not been fully closed. So you need to take a look at how much has been paid out because that gives you the information as to how much of that work has already been done. If you have any questions, please call me. Commissioner Howlett said they would like to have this list for every Commission meeting in the future. Dwane said he would provide that.

Commissioner Lambert thanked the Commission for coming to her District.

Lynn Zanto said each decade the US Census Bureau goes out and does their work and we have adjustments to urban areas based on that census. So at the next Commission meeting I may have another agenda item for you to approve urban areas and adjusted boundaries.

MAP 21 has put together a National Freight Advisory Council. There has been a lot of interest in freight in the more recent surface transportation bills and there was a proposal during the negotiations of MAP 21 for a freight program. That didn't pass but the bill did have a freight section that encouraged states to look at a National Freight Committee. Director Tooley was nominated to that Committee and was selected. He was one of two department Directors across the nation to be selected which is great for the State of Montana.

## Kevin McLaury – FHWA

Kevin McLaury welcomed Commissioner Cobb. He said he was pleased with the approach the Commission is taking regarding ADA. ADA has been around almost 20 years and we're finally getting our hands wrapped around it and I'm excited that

we're taking some innovative approaches to ADA. We have a number of challenges to be hurdled but I'm excited that we're moving forward.

At the last meeting the DBE Director talked about providing some training to the Commission. When that happens I would like to sit through that training. Commissioner Howlett said he preferred to have that training in Helena so it will probably be scheduled sometime in September.

Commissioner Howlett expressed his appreciation to Commissioner Lambert and her staff and the Department for all their hard work.

## Next Commission Meeting

The next Conference Calls were scheduled for June 4, 2013 and June 25, 2013. The next Commission Meeting was scheduled for July 25, 2013 in District One.

Adjourned Meeting Adjourned

Commissioner Howlett, Chairman Montana Transportation Commission

Mike Tooley, Director Montana Department of Transportation

Lori K. Ryan, Secretary Montana Transportation Commission