

Montana Transportation Commission

February 23, 2017 Meeting
Helena, Montana

IN ATTENDANCE

Barb Skelton, Transportation Commissioner, Chairwoman
Greg Jergeson, Transportation Commissioner
Carol Lambert, Transportation Commissioner - Excused
Dave Schulz, Transportation Commissioner
Dan Belcourt, Transportation Commissioner
Mike Tooley, Director MDT
Pat Wise, Deputy Director MDT
Dwane Kailey, MDT Engineering
Lori Ryan, Commission Secretary
Dave Ohler, MDT
Lynn Zanto, MDT
Dustin Rouse, MDT
Kevin Christensen, MDT
Kevin McLaury, FHWA
Chris Riley, FHWA
Kevin Slovarp, Missoula

Please note: the complete recorded minutes are available for review on the commission's website at http://www.mdt.mt.gov/pubinvolve/trans_comm/meetings.shtml. You may request a compact disc (containing the audio files, agenda, and minutes) from the transportation secretary Lori Ryan at (406) 444-7200 or lravn@mt.gov. 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 Barb Skelton

Commissioner Skelton welcomed the two new Transportation Commissioners, Dave Schulz from Madison County and Greg Jergeson from Blaine County. She called the meeting to order with the Pledge of Allegiance. After the Pledge of Allegiance, Commissioner Skelton offered the invocation.

Bid Letting

Kevin Christensen presented the bid letting to the Commission. We have five projects for your consideration today:

Call No. 101 *Grass Range Roundabout*. That project was pulled.

Call No. 102 *Roy East*. Engineer's estimate is \$2,036,429.83. We had two bidders. The low bidder was Century Company out of Lewistown with a bid of \$2,119,318.30. They were 4.07% over the Engineer's Estimate with 12.46% DBE participation.

Call No. 103 *Flathead River East and West tied with East of Sommers, Sommer Line Rumble Strips*. Engineer's Estimate \$920,026.90. We had three Bidders. The low bidder was Knife River out of Missoula with a bid of \$886,768.10. They were 3.61% under the Engineer's Estimate with no DBE participation.

Call No. 104 *Rainbow Bend*. The Engineer's Estimate was \$644,920.45. We had one bidder, Knife River out of Missoula with a bid of \$847,249.50. They were 31.37% over the Engineer's Estimate and your packet contains their justification. We analyzed their bid and were not able to justify their price. We think they were too high to justify so we are going to recommend rejecting the bid. Our plan is to tie this project to another project in this vicinity.

Call No. 105 *Culverts East of Rosebud*. The Engineer's Estimate was \$660,483.00. We had four bidders. The low bidder was Diamond J Construction out of Miles City with a bid of \$383,626.70. They were 41.92% under the Engineer's Estimate with 10.68% DBE participation.

Call No. 106 *Ute Advanced Signal Flasher*. The Engineer's Estimate is \$41,804.00. We had three bidders. The low bidder was South Hills Electric out of Helena with a bid of \$21,110.00. They were 49.5% under the Engineer's Estimate. They are a DBE so we have 100% DBE participation.

Staff recommends awarding Call Nos. 102, 103, 105 and 106. Commissioner Skelton asked if the Commission needed a motion to reject Call No. 104. Kevin Christensen said no.

Commissioner Schulz moved to approve awarding Call Nos. 102, 103, 105 and 106. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Approval of Minutes

The minutes for the Commission Meetings of July 28, 2016, September 22, 2016, October 26, 2016, December 15, 2016 and January 31, 2017, were presented for approval. Commissioner Jergeson mentioned that Senator Lang's name was misspelled in the minutes. Lynn Zanto said she would change it.

Commissioner Belcourt moved to approve the minutes for the Commission Meetings of July 28, 2016, September 22, 2016, October 26, 2016, December 15, 2016 and January 31, 2017. Commissioner Schulz seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 1: Local Construction Project on State Highway System – Local Services City of Kalispell – Center Street

Lynn Zanto presented the Local Construction Project on State Highway System, Local Services – City of Kalispell, Center Street to the Commission. Under MCA 60-2-110 "Setting priorities and selecting projects," the commission shall establish priorities and select and designate segments for construction and reconstruction on the national highway system, the primary highway system, the secondary highway system, the urban highway system, and state highways. This statute exists to ensure the 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.

Summary: City of Kalispell is planning to design and build a transportation improvement project on the state highway system. The project will be funded locally and will utilize local forces for construction. The project will be designed with input and concurrence from MDT staff to the extent practicable. In general, the public supports this project.

On behalf of the local government, as required by MCA 60-2-110, staff requests that the Transportation Commission approve the local project listed below. The project is also illustrated on the attached map: Kalispell.

Location	Type of Work	Cost (estimate)	Fiscal Year	Type of Labor
Center Street (U-6714), from Main St to 1 st Avenue East, in Kalispell	Mill & Fill	\$21,000	2017	Local

Staff recommends that the Commission approve this improvement to the state highway system, pending concurrence of MDT’s Chief Engineer.

Commissioner Schulz moved to approve the Local Construction Project on State Highway System, Local Forces – City of Kalispell, Center Street. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 2: Local Construction Project on State Highway System – Contract Labor
City of Billings – various locations
City of Kalispell – 5th Avenue West
City of Bozeman – Kagy Boulevard

Lynn Zanto presented the Local Construction Project on State Highway System, Contract Labor: City of Billings – various locations; City of Kalispell – 5th Avenue West; and City of Bozeman – Kagy Boulevard to the Commission. 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 the 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.

Summary: The City of Billings, the City of Kalispell, and the City of Bozeman are planning to design and build transportation improvement projects on the state highway system. The projects will be funded locally and will utilize contract labor. The projects will be designed with input and concurrence from MDT staff to the extent practicable.

On behalf of the local governments, as required by MCA 60-2-111, staff requests that the Transportation Commission delegate authority to the City of Billings, the City of Kalispell, and the City of Bozeman to let and award contracts for the projects listed below.

Location	Type of Work	Cost (estimate)	Fiscal Year	Type of Labor
4 th Ave North (U-1018), at Division Street, in Billings	Signal Upgrade	\$300,000	2017	Contract
Division St (U-1017), from Broadwater to Grand, in Billings	ADA Ramp Improvements	\$100,000	2017	Contract
Daniel Street (U-1009), at Monad Road, in Billings	Intersection Improvements	\$400,000	2017	Contract
Central Ave (U-1008), from Montana to Santa Fe, in Billings	Overlay	\$1,300,000	2017	Contract
5 th Ave West (U-6721), from 5 th Street to 11 th Street, in Kalispell	Chip Seal	\$19,000	2017	Contract
Kagy Boulevard (U-1212), from 7 th Ave to 11 th Ave, in Bozeman	Widening, Additional Turn Lanes	\$500,000	2017	Contract

Staff recommends that the Commission delegate its authority to let, award, and administer the contracts for these projects to the City of Billings, the City of Kalispell, and the City of Bozeman, pending concurrence of MDT's Chief Engineer.

Commissioner Jergeson asked for an explanation on the difference between the previous project in Kalispell and this project in Kalispell. Why are there different motions being made? Lynn Zanto said on the first project they are doing with their own city forces. That comes under a different part of the statute. The second project will be contracted out; they plan to bid, let and award. That is a different action you take. Commissioner Jergeson said the Bozeman project was discussed yesterday and I'm comfortable with that.

Commissioner Jergeson moved to approve the Local Construction Project on State Highway System, Contract Labor: City of Billings – various locations; City of Kalispell – 5th Avenue West; and City of Bozeman – Kagy Boulevard. Commissioner Schulz seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 3: Construction Project on State Highway System Blackmore Bend Development – Bozeman

Lynn Zanto presented the Construction Project on State Highway System, Blackmore Bend Development – Bozeman to the Commission. Blackmore Bend is a development located near the intersection of Highland Boulevard (U-1215) and East Main Street (N-50) in Bozeman. The developer for Blackmore Bend is proposing improvements to both routes to address traffic generated by the new development. Improvements would include left-turn lane modifications on Main Street, an additional left-turn lane on Highland Boulevard, and minor upgrades to traffic signals and pedestrian facilities at the intersection of Main Street and Highland Boulevard.

The City of Bozeman has given preliminary approval for improvements at this location. Additionally, MDT headquarters and Butte District staff have reviewed and concur with the recommended improvements.

The developer for Blackmore Bend will provide 100 percent of project funding and will be required to complete MDT's design review and approval process (to ensure that all work complies with MDT design standards).

Summary: The developer for Blackmore Bend is proposing improvements to Highland Boulevard (U-1215) and East Main Street (N-50) in Bozeman. Improvements would include left-turn lane modifications on Main Street, an additional left-turn lane on Highland Boulevard, and minor upgrades to traffic signals and pedestrian facilities at the intersection of Main Street and Highland Boulevard.

Staff recommends that the Commission approve these modifications to Main Street and Highland Boulevard, pending concurrence of MDT's Chief Engineer.

Commissioner Schulz asked if this was the intersection that goes to the hospital. Lynn said it was. Commissioner Schulz asked if it was a busy intersection. Lynn Zanto said yes.

Commissioner Schulz moved to approve the Local Construction Project on State Highway System – Blackmore Bend Development, Bozeman. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 4: Construction Project on State Highway System Montana Egg Facility – Great Falls

Lynn Zanto presented the Construction Project on State Highway System – Montana Egg Facility, Great Falls to the Commission. Montana Eggs is proposing to construct a new facility on 38th Street (U-5219) in Great Falls. In order to mitigate the impacts of the new facility and gain concurrence from the City of Great Falls, Montana Eggs has agreed to install sidewalk, curb and gutters along 38th Street from North Star Boulevard to 10th Avenue North and improve the intersection of 38th Street and North Star Boulevard.

The City of Great Falls has given preliminary approval for improvements at this location. Additionally, MDT headquarters and Great Falls District staff have reviewed and concur with the recommended improvements.

Montana Eggs will provide 100 percent of project funding and will be required to complete MDT's design review and approval process (to ensure that all work complies with MDT design standards).

Summary: Montana Eggs is proposing modifications to the Urban Highway System to mitigate the impacts of their new facility on 38th Street (U-5219) in Great Falls. Specifically, Montana Eggs is requesting Commission approval to install sidewalk, curb and gutters along 38th Street from North Star Boulevard to 10th Avenue North and improve the intersection of 38th Street and North Star Boulevard.

Staff recommends that the Commission approve these modifications to 38th Street in Great Falls, pending concurrence of MDT's Chief Engineer.

Commissioner Schulz moved to approve the Construction Project on State Highway System – Montana Egg Facility, Great Falls. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 5: Billings District Culvert Project – D5 Culverts, Lewistown Area

Lynn Zanto presented the Billings District Culvert Project – D5 Culverts, Lewistown Area to the Commission. The National Highway System (NH) Program finances highway projects to rehabilitate, restore, resurface, and reconstruct Non-Interstate routes on the National Highway System. Montana's Transportation Commission allocates NH funds to MDT districts based on system performance.

The Surface Transportation Program – Secondary (STPS) finances highway projects on the state-designated Secondary Highway System. Secondary Roads are those routes that have been selected by the Montana Transportation Commission to be placed on the Secondary Highway System. Secondary Roads Program funding is distributed by formula and is utilized to resurface, rehabilitate and reconstruct roadways and bridges on the Secondary System.

In response to emerging roadway safety needs in the Lewistown area, the Billings District is advancing a culvert replacement project to address deteriorating culverts on US-12, US-191 and Secondary 547. The estimated total cost for this project is \$1,174,000. The Billings District NHS Program will contribute \$981,000 to the project – with the remaining balance (\$193,000) being funded via the Secondary Roads Program.

Summary: The Billings District is requesting approval to add a culvert replacement project to the highway program. The estimated total cost for this project is \$1,174,000. The Billings District NHS Program will contribute \$981,000 to the project – with the remaining balance (\$193,000) being funded via the Secondary Roads Program.

The proposed project is consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TranPlanMT. Specifically, roadway system performance and traveler safety will be enhanced with the addition of this project to the program.

Staff recommends that the Commission approve the addition of this Billings District project to the program.

Commissioner Jergeson said during my time on the Blaine County Conservation District Board we had a culvert crossing over a stream and someone said the culvert cover was loose. We proposed a bridge because it was the only way to fix the problem. The fish people liked that because the water going through a round culvert has so much force that when it comes out it tears away at the stream and the fish can't get up through that. Are any of these patterned for a flat bottom culvert? What's the construction standard for fishery issues? Lynn Zanto said when our project development process starts, we don't go in with a preconceived notion. We do an environmental document for each one and fish passage is considered in that document to ensure that we move forward with an appropriate fix in replacing those culverts. Duane Kailey said Lynn is right on. The other thing I would add is that Lynn has Biologists on staff who work very closely with our Engineers and Fish, Wildlife and Parks to assess whether it is a fishery where we need to provide fish passage or not. Through that process we determine what is the most appropriate culvert. We have all sorts of different tools in the tool box to address that. We don't design culverts any more for water; it's more for the fisheries and amphibians. Water is almost an afterthought any more.

Commissioner Schulz asked if there were four culverts or more. Lynn Zanto said it is four. He asked if they were significant in size. Duane Kailey said yes. Typically, stand-alone culverts are very large steel structures. Commissioner Schulz said I've put in a lot of culverts and I realize there is a significant difference from a hardened surface but \$1.2 million for four culverts is a pretty good price tag. Duane Kailey said you are correct.

Commissioner Schulz moved to approve the Billings District Culvert Project – D5 Culverts, Lewistown Area. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 6: Great Falls District Projects
Sieben Interchange – North
Choteau – South**

Lynn Zanto presented the Great Falls District Projects – Sieben Interchange North and Choteau South to the Commission. The Interstate Maintenance (IM) Program finances highway projects to rehabilitate, restore, resurface, and reconstruct routes on the Interstate System. Montana's Transportation Commission allocates IM funds to MDT Districts based on system performance.

The Surface Transportation Program – Primary (STPP) finances highway projects to rehabilitate, restore, resurface, and reconstruct routes on the state's Primary Highway

System. Montana's Transportation Commission allocates STPP funds to MDT Districts based on system performance.

In response to emerging safety and pavement needs on the Interstate System, the Great Falls District is advancing a major rehabilitation project on I-15 near the Sieben Interchange. The project will rehabilitate 4.5 miles of I-15 to address deficient pavement and improve roadway safety elements (such as guardrail, fencing and signage). The estimated total cost for all phases is \$14,638,000 – with the entirety of the funding originating from the Great Falls District Interstate (IM) Program.

In response to emerging operational, safety and pavement needs on the Primary System, the Great Falls District is advancing a reconstruction project on US-89 (P-3) near Choteau. The project will reconstruct 6.4 miles of US-89 to address substandard pavement and poor geometrics. The estimated total cost for all phases is \$13,967,000 – with the entirety of the funding originating from the Great Falls District Primary (STPP) Program.

Summary: The Great Falls District is requesting approval to add two new projects to the highway program. The first project will rehabilitate 4.5 miles of I-15 near the Sieben Interchange (at an estimated total cost of \$14,638,000). The second project will reconstruct 6.4 miles of US-89 near Choteau (at an estimated total cost of \$13,967,000).

The proposed projects are consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TranPlanMT. Specifically, roadway system performance and traveler safety will be enhanced with the addition of these projects to the program.

Staff recommends that the Commission approve the addition of these Great Falls District projects to the program.

Commissioner Jergeson said 6.4 miles at \$13.9 million and going back to the meeting of September 22nd where we approved the East of Zurich-Harlem project of 6.7 miles at \$23 million, why is there such a difference in price. Is there a difference in the terrain that causes this to be so different? Lynn Zanto said it is dependent on the scope of work. Typically, the difference in cost has to do with the scope. A rehab is a less than reconstruction. The cost can change with the type of terrain or if we have right-of-way needs or there are environmental issues. There are numerous factors that drive the cost estimates. Duane Kailey said we could get you a little more detail on that project. We do a preliminary estimate up front that shows what we're doing and we can get you that information.

Commissioner Jergeson moved to approve the Great Falls District Projects – Sieben Interchange North and Choteau South. Commissioner Schulz seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 7: Missoula District Project I-90 Bridges - Bonner

Lynn Zanto presented the Missoula District Project – I-90 Bridges, Bonner to the Commission. The Interstate Maintenance (IM) Program finances highway projects to rehabilitate, restore, resurface, and reconstruct routes on the Interstate System. Montana's Transportation Commission allocates IM funds to MDT Districts based on system performance.

In response to emerging operational, safety and bridge needs on the Interstate System, the Missoula District is advancing a bridge replacement project on I-90 near

Bonner. The project will replace a set of aging structures (over the Blackfoot River) that were impacted by the EPA Superfund Cleanup effort in the area (Milltown Dam removal). The estimated total cost for all phases is \$ 22,741,000 – with the entirety of the funding originating from the Missoula District Interstate (IM) Program.

Summary: The Missoula District is requesting approval to add a bridge replacement project to the highway program. The proposed project will replace a set of aging I-90 structures (over the Blackfoot River) that were impacted by the EPA Superfund Cleanup effort in the area (Milltown Dam removal). The estimated total cost for all phases is \$22,741,000 – with the entirety of the funding originating from the Missoula District Interstate (IM) Program.

The proposed project is consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TranPlanMT. Specifically, roadway system performance and traveler safety will be enhanced with the addition of this project to the program.

We intend to do this Design Build so that will use 2017 funding, however, there is a project in the Missoula District having challenges in terms of the different features on Van Buren Street. So, essentially in the Tentative Construction Program, the Missoula District has identified that project and that project is going to move out and this is a backfill to ensure we obligate all our federal funding.

Staff recommends that the Commission approve the addition of this Missoula District project to the program.

Commissioner Belcourt said he met with Ed Toavs, the Missoula District Administrator, on this project and it is a wonderful opportunity to get this done especially with the Van Buren project not happening. I would ask that the Commission support it. With the other bridges coming up, the reality of repairing all the bridges in a short timeframe and all the needs to repair them at the same time, it is good for us to get this done right away before we have a bigger need come up.

Commissioner Belcourt moved to approve the Missoula District Project – I-90 Bridges, Bonner. Commissioner Schulz seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 8: Limited Access Control
IM 90-8(180)431, CN 5736 – West Laurel
Interchange – West**

Duane Kailey presented the Limited Access Control IM 90-8(180)431, CN 5736; West Laurel Interchange – West to the Commission. This is a Limited Access Control. As we reconstruct roadways, we want to preserve the safety of the traveling public. One way we do that is to minimize the number of conflict points, i.e., access points. We establish an Access Control Plan that limits the number of accesses and it also documents that with the local government so if people want to subdivide or try to put in new access, there is a formal document filed with the county showing that they need to get MDT's and ultimately the Commission's approval to change the Access Control Plan.

The first project is West Laurel Interchange West. We're rebuilding the Interchange over there and we're requesting an Access Control to preserve the safety as we do that. There is a fold-out map that shows where the access control is being placed.

Commissioner Skelton asked if they were going to change the speed limit. Duane Kailey said no.

Commissioner Schulz moved to approve the Limited Access Control IM 90-8(180)431, CN 5736; West Laurel Interchange – West. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 9: Limited Access Control
NH 8-4(47)89, CN 5814 – Toston South**

Duane Kailey presented the Limited Access Control NH 8-4(47)89, CN 5814 – Toston South. This is an Access Control Resolution for Toston South. As we've been moving down that corridor, we've been establishing Access Control. On this one we missed a short segment, so we're asking to go back and cover that. The next one will also cover another segment of that route. There is a map showing the limits that we're proposing. We would ask for your approval of this Access Control.

Commissioner Skelton asked if these resolutions are signed. Lynn Zanto said you will be signing them and then they will be notarized.

Commissioner Schulz moved to approve the Limited Access Control NH 8-4(47)89, CN 5814 – Toston South. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 10: Limited Access Control
NH IP-NH PB IP 8-4(66)86, CN 7668
Toston Structures**

Duane Kailey presented the Limited Access Control NH IP-NH PB IP 8-4(66)86, CN 7668 – Toston Structures to the Commission. This is the third Access Control Resolution. This is for the Toston Structures and they are on the same corridor as the previous one. We are working on this project right now. I don't have a letting date but I believe it's 2019. We would like to establish an Access Control on this segment. We recommend that you approve the Limited Access Control for the Toston Structures.

Commissioner Schulz moved to approve the Limited Access Control NH IP-NH PB IP 8-4(66)86, CN 7668 – Toston Structures. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 11: Award Design Build Project
IM 90-9(127)526 – Retaining Wall
Lodge Grass**

Kevin Christensen presented the Award Design Build Project IM 90-9(127)526 – Retaining Wall – Lodge Grass. We have two design build projects for your consideration today. Agenda Item 11 is for the Retaining Wall in Lodge Grass. We opened bid price proposals on that project last Friday and one of the firms had some questions about our procedures. We answered their questions in writing yesterday but until we hear back from the firm, we don't want to award this project because if they are not satisfied with our explanation there is a written protest procedure. We don't want to close that door in case this firm would like to file a formal protest. We

will put this project off until the disposition of that is resolved and then revisit this at the next Commission meeting.

Duane Kailey said if we answer the questions for the Design Firms quickly, I would ask if you would be willing to consider bringing this to you on the Conference Call rather than waiting two months for the next Commission Meeting. That allows us to get the successful firm up and working sooner. Commissioner Skelton said that Agenda Item 11 would be put on the Agenda for the next Conference Call scheduled for March 7th.

Hold due to protest.

**Agenda Item No. 12: Award Design Build Project
CMDP 114-1(1)0 – 1st Avenue South ADA
Billings**

Kevin Christensen presented the Award Design Build Project CMDP 114-1(1)0 – 1st Avenue South ADA, Billings to the Commission. Agenda Item 12 is the Design Build Project for 1st Avenue South ADA sidewalk project in Billings. We short-listed two firms. We received two responsive proposals from each firm and subsequently received their Bid Price Proposal. We went through the scoring process and Riverside Contracting/Dowl HKM was the best value for this project. Staff recommends two things on this project: (1) both firms submitted a responsive Technical Proposal so we recommend both firms receive the Stipend on this project; and (2) we recommend the Commission award the project to Riverside Contracting/Dowl HKM.

Commissioner Belcourt moved to approve the Award Design Build Project CMDP 114-1(1)0 – 1st Avenue South ADA, Billings to Riverside Contracting/Dowl HKM and stipend award as requested. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 13: Award Design Build Project
IM-G 94-2(36)65 – Hysham Safety Rest Area**

Kevin Christensen presented the Award Design Build Project IM-G 94-2(36)65 – Hysham Safety Rest Area to the Commission. On the Hysham Rest area we short-listed two firms and received two responsive proposals. Uniquely on this project we only received one Bid Price Proposal. The reason is EDC Inc. with TBH Team followed us prior to the submission of the Bid Price Proposal but they had some issues with their bonding company and couldn't get bonding so they could submit a Bid Price Proposal. We received one Bid Price Proposal that was within guidelines from CDM Smith CWG Team. The EDC Team did submit a responsive proposal and are entitled to the Stipend. Staff recommends the project be awarded to the CDM Smith Team and that both firms receive the Stipend.

Commissioner Schulz asked about the \$1.2 million differential between the Engineer's Estimate and the bid. He asked if they were content with that. Kevin Christensen said yes.

Commissioner Belcourt moved to approve the Award Design Build Project IM-G 94-2(36)65 – Hysham Safety Rest Area and stipend payments. Commissioner Schulz seconded the motion. All Commissioners voted aye.

**Agenda Item No. 14: Certificates of Completion
November & December 2016**

Duane Kailey presented the Certificates of Completion for November & December 2016. They are presented for your review and approval. Under statutory authority, it is under the Commission’s authority to award the contract and to officially close them out. Our official way of closing them out is with a Certificate of Completion that we’ve gone through all the paperwork, sought and received federal aid approval for everything, and recommending to the Commission that they go ahead and approve these contracts for closure. Once they are done, MDT can release the contractor bond and they are able to move on. Staff recommends approval.

Commissioner Schulz said each one of these projects happened long before Commissioner Jergeson and myself. Are you content that these were good projects, the product is of value and that they should be closed out. Duane Kailey said absolutely.

Commissioner Schulz moved to approve the Certificates of Completion for November & December 2016. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 15: Project Change Orders
November & December 2016**

Dwane Kailey presented the Project Change Orders for November & December 2016. Under your authority you have final approval on Change Orders. Change Orders start in the field with the Project Engineer Manager, then depending on the magnitude of the Change Order they work all the way up to Kevin Christensen and his staff, then to myself and finally to the Commission for final review and approval. Staff recommends approval for both the months of November and December 2016.

Commissioner Belcourt moved to approve the Project Change Orders for November & December 2016. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 16: Liquidated Damages

Dwane Kailey presented the Liquidated Damages to the Commission. A quick review for the new Commissioners – under this activity you need do nothing. That means they stand as is unless you take an action to waive or reduce any of the Liquidated Damages. The one caveat is that no one is contesting the damages. If you choose to waive Liquidated Damages, please understand that typically when that happens FHWA does not participate in that and we end up bearing those costs with state funds. With that I’ll list the Liquidated Damages.

Project ID	Project Desc	Contractor	Disputed	LD Days	LD Amount
NH 92-1(12)0	Pavement Markings- Reserve Street	Highmark Traffic Services Inc.	N	3	\$2,979
HSIP 1-2(172)134	SF 109-US 2/MT 40- Int Sfty Upgrade	Knife River Corporation - Msla	N	2	\$4,168
HSIP 62-2(22)37	Signals-W Holly St- Sidney	Montana Lines Inc – GFLS	N	7	\$10,724

MT 28-2(49)70	Red Lodge - 8th - Robinson	Goran LLC	N	126	\$534,492
IM 94-3(63)84	Colstrip Interchange - West	Prince Inc	N	21	\$89,082
STPP 28-2(52)49	Beartooth Pass - Slope Repairs	Geostabilization International LLC	N	3	\$8,907

Duane Kailey said there is a long history with the Red Lodge – 8th – Robinson project. Commissioner Jergeson asked for the short-version of the long history. Duane Kailey deferred to Commissioner Skelton. Commissioner Skelton said it was within the Town of Red Lodge and they had to move the roundabout two times or three times because it was off. Then they put the road in and it wasn't deep enough so they had to redo the road. Goran didn't do the hot mix so they were trucking the hot mix from Absarokee to Red Lodge and by the time it got there the hot mix wasn't hot. Then we put in the ADA and they were very unhappy with that. Dave Ohler said the prime contractor ended up having somebody else finish the project. Commissioner Skelton said Knife River came in and Riverside did some work also. The completed job ended up being very well done.

Commissioner Jergeson asked what happens when a contractor protests the Liquidated Damages. Does that come as an appeal to the Commission and then we make the determination? Duane Kailey said yes it will come to you formally. As the project is closed out, they must request to dispute the damages. We will present the Commission information prior to the meeting about the issues and MDT's stand on those issues. One of the things we have in our contracts is a claim process. I struggle with LD's a little bit because this process allows them to somewhat side-step the claims process which requires them to file a claim when they know there is a dispute. With LD's they get two bites out of the apple, so I struggle with this. They don't necessarily have to file a claim but then they can come before the Commission and dispute the LD's. I think they need to go through the claims process and we're changing the spec to state they must go through the claims process prior to coming to you. Kevin Christensen said they presented that to the Montana Contractor's Association last week and they didn't have any issue with it. Duane Kailey said they will still have two bites out of the apple but at least we'll be able to present to you a fair amount of information on why MDT has chosen not to waive those claims. Commissioner Skelton asked if it took a legislative process to change the rules; do we have to notify the public that we're changing rules. Duane Kailey said it is just within our standard specifications.

Liquidated Damages STAND

Agenda Item No. 17: Letting Lists

Duane Kailey presented the Letting Lists to the Commission. Some quick information for the new Commissioners, in about October of every year you will meet as a group and work with MDT to create the TCP. We then create our Letting List for the year. We put the projects in the month we think they are most appropriate to be let, however, at times that changes due right-of-way issues which tends to be one of the bigger issues. Then we will move the projects a little bit within the year. Every time the Commission meets, we present you with a Letting List that shows where those projects are and I will specifically disclose if there is anything moving or changing. As we get towards the end of the year we may have to move out a project because of right-of-way that was planned for that year. We then must bring in a new project out of the TCP which you've already approved to backfill that funding. I will specifically disclose if any of that goes on and let you know where those projects are and what's going on.

We are presenting the Letting List for February through July 2017, and we recommend approval as presented. We have not moved any project other than the one Lynn mentioned earlier with Bonner Bridge.

Commissioner Skelton asked about the roundabout at Grass Range. I notice that project isn't in here but do the lights change the scope of work? Duane Kailey said as soon as we have identified what our backup mitigation is going to be, we will bring it back to the Commission and it will be put into the Letting List and we'll notify you at that time. Right now, staff is still analyzing the most appropriate fix.

Commissioner Belcourt moved to approve the Letting Lists. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Elected Officials/Public Comment

No public comment was given.

Commission Comment

Rumble Strips

Commissioner Jergeson said it was amazing how yesterday I got orientated and then last night a constituent called with a question so told him I would bring it up. He called to complain about center rumble strips. I'm not a fan of them either but I appreciate the safety factor of those. Yesterday you talked about water being one of the biggest problems and obviously they pool water. Is that calculated as a consideration as to when to put in center rumble strips and is there a plan to put them on every mile of highway in Montana? Duane Kailey said yes, no, and maybe. We conducted a research project and brought in an outside consultant who did a Roadway Departure Road Study. It's our number one accident – people leaving their lane whether it's crossing the center line or crossing the shoulder and going into the ditch. It's our number one accident. They looked at every route we have statewide and compared like roadways, i.e., like characteristics, rural versus rural, urban versus urban. They found that we have many roadways that are very mitigatable for roadway departure crashes with either centerline rumble strips or shoulder road strips. All it takes is one severe crash in ten years per ten miles to justify a centerline rumble strip on a roadway. So, based on that information we've been going systematically where the benefit cost justifies centerline rumble strips, going district by district and installing them. Not every road. We're trying to avoid urban areas where the noise could be an impact. We're not doing them where we haven't had that crash history and don't anticipate that crash history but there are a fair number of roadways that we are doing. The study said 4,000 miles of roadway. While it's too early say it's a success, we've seen our fatalities and serious injuries going down. Usually we like three years of history before touting a success because there are so many variables involved but it doesn't go unnoticed that our severe crashes and fatalities are dropping as we put these in statewide.

Commissioner Jergeson said when you put a disturbance in the road that holds water, is there a very short-period of time when you go in with a sealant to make sure that pooled water doesn't soak into the highway and start creating pot holes. Duane Kailey yes. If the roadway is not proposed to have a chip seal shortly after we do the rumble strip, we are fog sealing them which is an oil coating that seals those grinds in the asphalt and covers up the striping. So, we are mitigating that wound in the roadway, covering that up, and looking at coming back in and doing a chip seal in the next few years further completing the healing of the roadway and keeping the water out of the roadway.

Commissioner Schulz said I've seen in several instances where you put the seal on which is a very black tar looking material to help seal that gouge in the road. One of the problems in my back yard of Madison County is we have several roads from Alder to Virginia City that are quite narrow. The he road that goes up to the Varney Bridge is one. It's hard to drive and you must pay close attention to staying on your own side of the road. I've seen several instances where somebody slipped over and hit that and in some cases, went too far. I like rumble strips in most instances because it helps keep me alert when I'm driving but we have some cases on narrower roads where I think there are problems with them. Duane Kailey said that was a very good point. We did a fair amount of research in surrounding states to look at what they were doing and copying them. These are proving to be very effective. To be honest with you I like what you're saying because it is causing people to pay more attention to the roadway. We're hoping that is the case and hopefully they put down their cell phones and cheeseburger because distracted driving is by far nationwide one of the biggest issues we have. Commissioner Schulz said it is probably going to jump up that Alder to Virginia City road to a reconstruct a lot quicker.

Commissioner Jergeson asked if there was a set width for rumble strips. Can you make narrower ones? If you've got a nice wide shoulder, a 12 inches rumble strip is ok but if you use up the entirety of that little narrow space between the strip and the grass with a rumble strip, is that necessary? Duane Kailey said we have three different dimensions of width. Standard is 12 inches, that's if we have a four foot or wider shoulder. We drop it down to eight inches if it's between a two and four-foot shoulder. We drop down to six inches if it's a two-foot or less shoulder width. On the shoulder side, we have a one-foot wide, six inches off the stripe if the shoulder is greater than four feet. Once we get down to four feet, we narrow it up. We have a Rumble Strip Committee formed that includes Lynn's staff and my staff and they talk about it. They look at what kind of usage the roadway gets. We can go all the way to the level, which we did in Commissioner's Schulz's area, and go to a six inch and move the white strip in a little bit to maintain a fair amount of shoulder. We did that down around Hebgin Lake. We had a four-foot shoulder, so we narrowed up the rumble strip to six inches and moved the white strip in six inches to maintain a full four-foot width on that roadway. So, there is a fair amount of variability.

Commissioner Schulz asked if the public accepts the rumble strips and are they doing the job safety-wise. Duane Kailey said I would say that we've heard back from individuals who are challenged by them but compared to the overall driving populous, based on the communication I've had, I would say yes, we have acceptance of them. Again, it is too early to tell but the number of fatalities and serious injuries reflect the improvement we're making and I'm happy to see that. Director Tooley said we've gotten quite a few compliments. We don't get those very often and I'm happy to share those with you. They are usually filled with "thank God", "thank you", and "if it hadn't been there who knows where I would have been."

Commissioner Skelton asked Commissioner Schulz if he would give Senator Lang a brief rundown on the Grass Range roundabout. Director Tooley said he had a brief update on that project to give to the Commission.

Thank You to Commissioner Cobb and Commissioner Griffith

Commissioner Skelton went on the record to thank Commissioner Griffith and Commissioner Cobb for their service on the Commission. Commissioner Cobb served four years and Commissioner Griffith served twelve years. They were outstanding Commissioners and I want to thank them for their service.

Agenda Item 16: Director Discussion and Follow-up

Congratulations and Welcome

Director Tooley congratulated Commissioner Skelton for being named Chair of the Commission. That is a big job. Congratulations on that appointment and I know you're going to do great. He welcomed Commissioner Schulz and Commissioner Jergeson to the Commission. I know you will be great additions to the Commission. I know you both and I'm excited to work with you.

Thank You to Commissioners Cobb and Chairman Griffith

Director Tooley said we had to say goodbye to Commissioner John Cobb who for the past four years frankly elevated our game as a Department. He had lots of very good questions and we appreciated that. It was fun to watch the staff grow. I think it helped the Commission and the relationship between us grow also.

Commissioner Griffith took over as Chairman after many years and did an excellent job as Chairman of the Commission. He advocated for things he thought were very important but at the same time realized that it's all about relationships and he worked hard, not only with local government but with the Department, to make things run smoothly. So, I'm also on the record as saying thank you to Commissioner Cobb and Chairman Griffith for their service and for stepping up and filling those roles.

Bridge Decks

Commissioner Tooley said I'll turn the update on the bridge decks over to Duane Kailey. Duane Kailey said Kent Barnes the Bridge Engineer, Dustin Rouse and Kevin Christensen are here to update you. I'll to give you a quick history and then I'll turn it over to my staff. A little less than a year ago we had a couple of bridges that weren't that old develop holes in the deck. It was very concerning because we didn't know what was going on. We hired an out-of-state firm that is very reputable, Wisk JD Elsner, to do some forensic analysis on them because we weren't sure if it was something we were doing wrong, something we were missing, or something the contractors were doing wrong. The bridges were not very old and suddenly, we had holes in them. Obviously with 5,000 plus bridges in the state, it was very concerning. We brought them in and they did their analysis on the bridge and I'll turn it over the Dustin, Kent, and Kevin and let them speak to what we found.

Dustin Rouse said we tasked the contractor to look at everything from supply side, where we're getting our cement, our concrete, our design practices, our construction practices and come back with the best practices in any of those areas that we could improve in. We had them study the decks that were deteriorating and give recommendations on how to mitigate the cracking. I would ask Kent Barnes, our Bridge Engineer, to go into a little bit more detail on the results of that study.

Kent Barnes said I'm the Chief Bridge Engineer for MDT. As you've heard we hired Wisk JD Elsner to do a forensic analysis. We picked a selection of bridges in the Missoula District. We went out with them and examined the decks. They flew drones over the decks to do some photography using infra-red. They drilled core samples out of them. They took all their observations back and reviewed our specs. They did some very high-end analysis to examine the cores forensically. With all that work they came back with a report that had a total of twelve recommendations for us. Overall the report said our aggregates are sound, the sand and gravel is sound, we're using materials that are the industry standard, we're using cements, ashes, silica fumes, our water sources are good. So, the materials are good. They looked at our specs and the bottom line on our specs is we're following the state-of-the-art right now for specs. So, our specifications are good.

They did make several recommendations and most of those went to construction practices. They recommended some specification changes. Those changes are really pushing us beyond the standard of practice across the industry. They are pushing us into the cutting edge on how we place and cure decks. I think the recommendations are very good and they brought up some good issues that relate to the weather conditions and reveals some issues with the standard of the industry in placing concrete decks. One of the fundamentals they really showed is there has been a shift in cement chemistry and cement product over the last 60 years. The cements we get now are a much different product than you saw in the 40's and 50's. When you buy a Type 1-2 cement now it is more like a high early strength cement from 1950. That creates a lot of heat of hydration early on and that is probably one of the culprits creating the cracking. Their specification revisions are all geared toward controlling the heat of hydration and trying to minimize that early age cracking.

I think it's a very good report. We had 12 recommendations. We've met together and assigned how we're going to implement that – what we're going to implement and how we're going to do it. Changes are coming. I think it's a very productive environment for us right now. We asked how you repair what we've got. Really, they came up is the standard methodologies and repair techniques that we are accustomed to right now. They're probably a little more aggressive in Class B repair which is where we take out a full depth of deck in the damaged area and replace full depth. So, their recommendation is a little more aggressive for taking out bad portions. The one big recommendation they had was that the Quality Control/Quality Assurance (QC/QA) really needed strengthening. Our standard practice and standard of the industry is quality control should fall on the contractor and quality assurance should be done by MDT. This is really an across the board issue where it's not just an MDT issue but it's an industry issue. A part of the issue really is MDT and the bridge deck construction, in a rural state like Montana, we're not a primary customer for most of these suppliers. Their practices that work very well for the building industry and other industries are a challenge to us on bridge decks. We need to have some better education across the board where we're reaching our contractors and our suppliers and own people to help strengthen that QC/QA. Overall the report was very good.

Duane Kailey asked him to explain heat of hydration in layman's terms. Ken Barnes said when you take that nice powder cement and put water on it, it hydrates and you make your concrete that way. It's an exothermic reaction so it produces heat. As it does that especially on a bridge deck you can get a change in heat across the profile of the deck. So, you get different heat at the top than you do at the bottom, you get different expansion and contraction. The result can be cracking. One thing that has occurred is the building industry and the contracting industry wants to get in and out quickly. One of the ways to do that is when the cement producer grinds their cement, if it comes out as a big piece they grind it down and grind it finer. As they grind it finer and finer and finer, that means when the water hits it, it hits much more surface area and that reaction takes off a lot faster. That's why you get the higher early strengths but with that you also get a rapid build-up of temperature early on. So, what's being pushed by Wisk Janay is a different curing method where instead of placing the concrete, putting water on it and plastic sheeting to keep it wet, they want us to put the water on it but keep the plastic sheeting off for the first three days and monitor the temperature rise during that and once the temperature peaks and starts falling, then come in with the sheeting. So, while the sheeting is off, you're getting evaporation and a natural cooling. You're slowing that set and slowing that heat differential in it. What we're trying to do is slow the cements up to what they probably more naturally did in 1950.

Kevin Christensen said Kent mentioned that for about a year now we've changed our concrete specs to kind of force the suppliers into the quality control. You may hear about that from your constituents. We've been working with the industry and it's been somewhat controversial particularly with eastern Montana suppliers. Some of

the rural suppliers don't have the facilities necessary for the kind of quality control we're looking for. We've been working with the industry and met with them four times now through the Montana Contractor's Association to try and work through some of the issues. We've introduced new specs and disincentives for not having the correct error content. We can measure permeability which is an important thing for bridge deck cracking.

The other thing I want to mention is this is not a situation that's unique to Montana. Bridge deck cracking is a nation-wide problem and has been for quite a while. It's my opinion that it's because of the chemistry and make-up of cement these days.

Duane Kailey said to summarize what you're hearing from myself and my staff is that through the investigation we haven't found where MDT or the contractors have really done anything wrong. We found that nation-wide there are some things we need to tweak but there is nothing we're really doing wrong. Part of it is the environment, the west of the Continental Divide environment. We're not seeing the same issue east of the Continental Divide. There is nothing we're doing wrong but there are some things we need to tweak in our specs and processes to minimize this from happening. It is a systemic issue with the industry and the way their grinding the concrete.

Commissioner Skelton asked how many bridges are compromised. Kent Barnes said they don't have a number but obviously we do condition inspection of bridges. Since there is no smoking gun, there is no real test to say this bridge is compromised and this bridge isn't compromised. We are doing our normal inspections. The focus of the bridge program right now is bridge preservation. So, what we're looking for is the indicators of deterioration and we'll be taking aggressive actions to deal with that.

Commissioner Schulz said I've worked with Kent on a few projects down in Madison County and we traded a couple of bridges for bridge projects and that worked well for both of us. I just want to share my appreciation for the quality of knowledge you bring to bridges. I know bridges on the highway system are an incredible on-going issue in cost, problem safety, security, etc. It is apparent that you folks work very well together addressing problems and bridges will always be a problem because when you get the last one fixed, you'll be looking at the first one again. For the record, every two years you have folks come down and inspect the off-system bridges. What is the length that you inspect? Kent Barnes said 20 feet is the federal definition for a bridge. Commissioner Schulz said anything over 20 feet is a bridge you have authority to inspect and recommend and help with a replacement.

Grass Range

Director Tooley said the Department has picked the right fix at the right place for the right reason – a roundabout at Grass Range. The Grass Range is a problematic intersection; it's the intersection of Hwy 19 and 87 and 200. It is a four-way intersection. North/South traffic is not stopped, east/west traffic is stopped. We have had several fatality and severe injury crashes over the past 10 years at that location from people not stopping on the east/west legs. So, the Department has taken four attempts at fixing it through rumble strips as you approach the intersection, larger stop signs, overhead flashers, and lighting that intersection. We've taken four interim steps to try and fix this intersection without going to a \$3.2 million-dollar fix. None of them worked. So, staff looked at this and said we could try another interim fix but really the only thing that is truly going to fix this intersection is a roundabout. So that is the Preferred Alternative and the Department started working that way. The consultant, Sanderson Stewart from Billings, did an excellent job in reaching out to users of that intersection that might be affected by a roundabout. They went to the top of the line; they went to the people who build the mega loads in Billings and truck them up to Canada, they talked to Malmstrom Airforce Base that move nuclear missiles and components east and west and got their

input in designing something that would work for any conceivable load that would go through there and still improve the safety of the intersection. The one they missed was the Montana Motor Carriers Association. I'm not so sure we missed them but that's the allegation. When they found out this was being created, they became quite upset and started asking questions and highlighted the fact that we had a roundabout going into Grass Range as a multi-million-dollar project.

That seems to be one of the biggest concerns with the folks in the area. We had a public meeting in Grass Range prior to moving forward with the selected alternative. It was pretty well attended as public meetings go especially in a rural area; there were over 20 people in attendance. Everybody there was supportive of the roundabout. MDT, through its public input process, had all the boxes checked to move forward with it clear to the point of right-of-way acquisition and design which is where we're at now. The problem is when the folks in Lewistown found out it was a \$3.2 million fix in a rural area, they thought that was a dumb use of money and pushed back pretty hard. We went to a public meeting in Lewistown and it was 90% negative. There were some elected officials there and the statement was made that "we're the ones that approve MDT's budget and if asked for a gas tax, I don't know if I can support that if they do these kinds of projects."

So, we had to take a time out and back up and look at it again. The analysis was done from the point if we lose a \$3.2 million project at least temporarily, is the threat of pushing forward and doing it, even though it's the right thing, does that affect hundreds of other projects around the state because we can no longer fund them because the budget has been affected or the gas tax fix didn't occur. So, we're taking a time out on that. We have not killed the project, we've just pulled it and the safety staff is working with the consultant to go back through some of the other proposals for one more interim fix. It's going to have to be one that stops right-angle high-speed collisions which is what's been killing people. What your Senator would like is just a reduced speed zone through the intersection. There is no way that's going to work because there's no enforcement. People drive the speed they're comfortable with and you can throw up a 45-mph hour sign but if there's no consequences to that, and there won't be in Grass Range because they're going to continue to drive at 70 mph and we'll still have high-speed right-angle collisions. So that's not a fix that's going to happen but there are some that can work and we have staff looking at those. It could be several different things and I'll wait to see what the recommendation is.

So, that project is on hold. We're going to go back and do something else at a much lower cost. What I kept hearing was I like the roundabout but I don't like how much you're spending on it. So, we're going to find a lower cost interim fix and keep this project on the shelf in case that doesn't work. Ultimately it is my responsibility to make that intersection safe.

Commissioner Belcourt asked if they'd done an inventory of intersections like that around the state. How many are there because that can't be the only one. Hwy 200 is a busy highway and Bowman's Corner is a problem. That's a dangerous intersection. Is that slated at some point for a roundabout. Director Tooley said Bowman's Corner is similar in the crash activity. The problem with Bowman's Corner is the geography doesn't lend itself to a roundabout which was our Preferred Alternative. To put a roundabout there, it would require roadway realignment and purchase of massive amounts of right-of-way. It's in a bowl and that doesn't lend itself to a roundabout. Grass Range is perfectly suited for a roundabout and that's what we would like to put there. We would have liked to put one at Bowman's but the geography doesn't fit. So, we installed some radar activated flashing stop signs. That is one of the fixes we are looking at for Grass Range. It hasn't stopped the crash activity. The level of injury is somewhat reduced but staff tells me we're very lucky because we've had some high-speed right-angle crashes. Bowman's again might be re-evaluated as part of what is going on at Grass Range based on the suggestion to

look at what you did at Bowman's. Well we did and still have problems. We're going to re-evaluate both intersections.

Madam Chair you were there, do you have anything to add? Commissioner Skelton said that's a great report on how it came about. There were five legislators there and clearly the crowd was concerned about the funding. They wanted to know if there were other places to put this money but the other places don't have the safety issue that Grass Range has. The design is such that the mega loads could go through because it is a bigger design on the roundabout than a normal one. The apron on it is at a different level big loads can pass. One of the concerns was could they get a 50-foot header through there on a combine and yes, we can. Director Tooley said that's exactly correctly but then you'll be tipping over delineators on the main route so they aren't going to take a 50-foot header through there anyway. Commissioner Belcourt said this is a little concerning – the questions of whether we can get a mega-load through or a 50-foot combine through or it simply costs too much. We're focusing on the safety aspect and people are dying and we're putting a money value on this. The cost is what it is. Director Tooley said speaking of money we did do a cost-benefit analysis and this one, even with the \$3.2 million price tag, is more than paid for. There is a monetary value on human life which is not something we want to think about. We get four times return on investment if we stop crashes like that at that intersection. From a data-driven perspective, it's a no-brainer to put a roundabout at Grass Range.

Commissioner Belcourt said he applauded the Director and the staff for coming up with that solution. So, this is funded out of Highway Safety? Director Tooley said it is 100% federally funded but don't go there. We got out of there with our lives so we're re-evaluating the situation and they probably won't be satisfied with what else we come up with but I'm going to stop right-angle collisions there – that's my job. Commissioner Skelton said the people who spoke in favor of the roundabout were the EMT's and First Responders and the people we bought the right-of-way from that have seen those accidents. They came up and said, "no you guys haven't been here; this is what we need." So clearly, they understood the safety issue and supported it. Commissioner Belcourt said he would continue to support the Department's efforts. There is a value on human life and if we talked to any of the families who lost folks there, they would say the same thing. You can't put a dollar figure on it. We get so consumed in the money issue and I understand it, but that's my stand. Director Tooley said it kind of really revealed a flaw in our public input process because the impact of a roundabout in Grass Range is clearly not the impact of a roundabout in Missoula because you have much more familiarity with them there. That wasn't considered when the project was envisioned and we have to find a better way of communicating with folks in rural areas about impacts of these kinds of fixes. That's one thing that will come out of it; we can do better. I'd rather have a fight before right-of-way acquisition than after.

Commissioner Schulz said I've heard from several people that absolutely hate roundabouts. I understand there are several right here around Helena that have saved lives. Change is hard for people. They will question the cost but you're going to have to build it to prove that it works. I guess that's what it comes down to. In the meantime, you keep putting dollars into alternative fixes and the cost of a roundabout keeps going up year after the year. I understand the predicament you're up against. Director Tooley said that's the reason I didn't just stop the project. I'm still convinced we're going to wind up putting a roundabout there but we'll go along with the request of the people. If it works, great – problem solved. The whole point is to solve the problem. If we can do it for \$150,000 then I'm \$2.5 million happier than I was before.

Legislative Updates

The Department had four agency bills before the Legislature and we got three of them through. The biggest one was House Bill 92, Construction Manager General Contractor Bill. It was an alternative contracting process that the Department was barred by law from using. It is not used very often and won't be used very often. We'll assist in the completion of complicated mainly urban projects. Kevin, you might have something to add. Kevin Christensen said it's something that's been around that every other state agency has been using since 2008. When the law was drafted the Montana Contractor's Association wasn't comfortable with MDT using it because it is a qualifications-based selective process rather than low bid. Design Build is also qualifications based and that's been working very well for us. As the Director said, we will be using it sparingly. It's only effective when its used on the appropriate projects and those would typically be very complicated urban projects. Director Tooley said we're excited about it; it was the third try at this. The other ones aren't quite as significant but we're happy that they are through.

Budget

The budget has been in the news quite a bit. Obviously, in September we submitted our budget. It was below revenue estimates and fiscally sound. Unfortunately, there are more than MDT drawing from the Highway State Special Revenue Fund, so although we submitted well below projected income, the Department of Justice also had to submit a budget and about \$40 million of their budget comes out the Highway State Special Revenue Fund. When you put both together, there is not enough anticipated cash coming in. The Governor's Budget Office had to make cuts. They cut MDT by \$42.8 million over the biennium and DOJ by \$7.7 million over the biennium. It was a proportional cut to the state funded portion of our budget. Unfortunately, the way that shakes out with that level of funding, MDT will not be able to fully match the Federal Aid Program and that's where that \$144 million list of deferred projects came from. We have cash in the bank right now but we would not have enough cash to pay all the bills in Fiscal 2018 if that had been allowed to occur. So, we rolled some projects back and you may have seen that the Governor asked us to put those back in the program. Nothing has really been fixed. So, we do have \$144 million worth of projects moving forward but it has pushed all the pressure into Fiscal 2018-19. So, we're at risk of returning about \$174 million in federal aid in Fiscal 2018 if we don't have a fix. The fix that was announced from the Budget Subcommittee is not a fix. They have backed into those numbers to support putting authority back into the Construction Program at the expense of a 40% cut to IT. Does anybody think that we'll need 40% less of IT in this department as well as the loss right now of 75 positions? The problem with the losing 75 positions is even though there were 160 openings in MDT, 120 of those were used to manage legislatively-mandated vacancy savings. That is what you do, you keep those jobs open so you can meet the demands of vacancy savings. By removing 75 positions, we're now below that level and the cumulative effect of not having the personnel or the IT is that our ability to comply with the Federal Aid Program requirements is now threatened. So, although on paper it looks like this is going to work out, this could cost us more in Federal Aid to the tune of about \$130 million per year instead of \$173 million in one year and \$80 million the next, now we're at \$260 million. We're actually going backwards. This is a lot to absorb so if you want to sit down with the CFO, Lynn, or Duane, they can explain it better. The fact of the matter is the fix is not a fix. HB 473 is a fix and it was for yesterday which is to increase the gasoline tax by \$.08 per gallon and diesel by \$.07¼ per gallon. The main reason for the difference is now both fuels will be taxed at the same amount. Diesel has always been taxed a little bit more. That raised enough money to not only match the Federal Aid Program but a little more which is good. The way the bill is written is that new money must be used to match the Federal Aid Program and that's fine because that's everybody's goal. It is not a long-term fix but it is a fix and gives us a little bit of room in case there is a slight expansion in the Federal Aid Program. If President

Trump doubled the Federal Aid Program, we couldn't match that either. You know it's a good bill is not everybody loves it. Nobody loves HB 473 but everybody kind of says it's okay. I think it's a good fix and we're going to watch that one carefully.

Commissioner Schulz asked if the language was permanent or for two years or more. Director Tooley said the language is permanent. The reason for that is the last fix was by the 1993 Legislature and it went into effect in 1994. Since that time the Consumer Price Index has gone up almost 70%, our Federal Aid Program has grown three and half times, and all the other pressures that you'd expect to find from basically flat income over that time have all come to roost. So, one time fixes and fund switches are not going to get us out of this issue; it's way bigger than that so it needs to be a permanent increase. Really, it's a 30% increase when just the Consumer Price Index has gone up twice that much. It's way better than nothing and it helps us do our job.

Commissioner Jergeson said yesterday Lynn had a packet for the new Commissioners and we dug out the maps to see the projects. The ones that are scheduled in 2017 look like they are funded and we'll be proceeding with them. Then there are projects scheduled for 2018, 2019, 2020 and even 2021. So, without the gas tax increase in HB 473 would those projects be in jeopardy? Should I go home to Chinook and tell people the highway between Havre and Chinook will never happen. Director Tooley said not all projects will be deferred but some will. It will go into prioritization – basically safety first, protect what we have. So, preservation and safety projects will continue to move forward, but system expansion of any kind maybe road widening that has more capacity will be a lower priority and might fall off the list and be deferred. None of them go away, they just take a lot longer to occur because you build based on the money you have available. We've have lists of projects that would probably be deferred in 2018-19 and beyond that I can get to you.

Commissioner Jergeson said the other provision of the bill is the audit. I was on committees for many years and departments were audited by the Legislative Auditor every two years as a regular course of business and as performance audit requests come along and I suspect there is a different aspect of MDT that qualifies for a performance audit every two years. What is expected from the author of the bill? Did he articulate what he thinks is not being found by the current level of auditing being done or does he expect to prove that the money is being improperly spent and that justifies the additional tax. Director Tooley said he and I have had that discussion. We're not worried about a performance audit, we think it will show that MDT does as well or better than other states. As part of the accountability side of it, he doesn't want to just raise taxes and give us cart-blanc. We will be proved to be good stewards of the money. The other part is he wants us to add to our website a list of where the money goes even for the county and city projects. He wants the public to know where their money is going. It raised \$.08 per gallon, where is the money going? We support that and think the accountability piece is not a threat, it's actually a help. It will force us to do things we kind of wanted to do anyway. It's never bad to have somebody else come in and take an objective look at what you're doing. I'm as excited about that as the fiscal part. That is the extent of my update

Commissioner Jergeson said I assume that Department handles all the lobbying but are Commissioners asked to or discouraged from lobbying. There are three of us that need to be confirmed by the Senate and if we lobby the Legislature we could potentially cause those guys to not confirm us. Director Tooley said there are three Commissioners and one Director that must be confirmed. I've had my confirmation hearing but not a vote. However, this is important enough and I feel strongly enough that I've still been lobbying the Legislature. It's entirely up to you but we would like to have a coordinated message, so we can get you the facts and figures and anything you need if you want to talk to your local Legislators. I think that's a great idea. A lot of other boards and commissions take positions on bills. Labor has 40 different commissions and boards and they are involved in barbering and everything else that

may be going on. We can certainly help you do that. Commissioner Skelton said it would be helpful if you can get talking points to us as soon as possible. Director Tooley said you should be informed because they will call you. Commissioner Schulz said if we had that list of projects for the next five years, MACO can be a pretty good resource for me. I could get that list to some of my Commissioner acquaintances across the state and indicate that their pet project may not happen which certainly would be a reason for them to make a phone call. Duane Kailey said he'd get it to them before they left. Commissioner Belcourt said it would also be nice to have the statistics on impacts to the Department, i.e., the IT etc. Director Tooley said they were still building that. Obviously, the budget is in the House and will go the Senate and we're starting to build our case for restoration where we won't have to send a bunch of money back to Mr. McLaury to be redistributed amongst other states. As a resident of Montana, he'd like that money spent here and we'd like to do it.

Kevin McLaury, FHWA

Kevin McLaury said we have a new Secretary, Elaine L. Chao. We've been told that she likes to be addressed using her initial. We'll take note of that. We are still under a Continuing Resolution until April 28th. Congress will have to act prior to that or things go into a very slow mode. Under an Executive Order, we are under a hiring freeze as an Agency as is all the government. So, we're scrambling to try and reassign some duties within our office as we've got two positions that are currently vacant. As the Director well knows, that provides some opportunities and yet it's challenging in trying to ensure that we're working with the Department to ensure that we're providing a good safe program that meets all the federal requirements.

Some of the other provisions – the two for one regulation in that the Executive Order has asked that we, as federal agencies, remove two regulations for any one new regulation. That's been a challenge and agencies are continuing to look at that. From the Federal Register, that's the process by which there is notification to the public any time anything is coming out. We were asked not to put anything into the Federal Register. For Montana that means if we had a high level environmental document like an EIS, those must go through the Federal Register, and thank goodness, we don't have an EIS currently going. So, the Federal Register has opened back but we're very cautious on how we're moving forward. The only area where it may have some impact on the State is on our Transportation Performance Management which, under MAP21, that regulation had come through Congress and there are two provisions we didn't get in under the wire and now we're on hold – PM2 and PM3 which are pavement management elements. As the Department begins to set their Transportation Management and Asset Management, we're making better decisions based on data. That's what Congress has asked us to do collectively. I do have to say the Department has one of the best Pavement Management Systems and one of the oldest in the nation; you've been at it for well over 30 years. So, we do utilize data to make better decisions and for that I'm very thankful. As we move forward into this performance management area, the Department is well set through their Transportation Asset Management Program (TAMP).

From the federal standpoint, welcome to the Commission. I sit with the Commission as a resource and, unless I'm asked, I typically don't comment but I'm here if there are questions.

Commissioner Skelton asked if any digital billboards had been requested. Director Tooley said no. Commissioner Skelton asked if we were sending out the proposed roundabout list. Director Tooley said it's not going to be as much of a list as an actual map, an interactive map. Lynn said that is out now. Director Tooley said there is an interactive roundabout map that you click on that includes construction year and everything else. Kevin Christensen said he would get the link out to each Commissioner. It identifies roundabouts that we are considering up to the ones that are in design, ones that are in construction, and ones that are already constructed. It

also includes roundabouts that we didn't construct that are in place just so folks know where they are. Director Tooley said I'd rather have it now rather than when you're three quarters of a million dollars into the process and have to put it on the shelf. Commissioner Belcourt said the Department's website is excellent with all the interactive maps and content; it's one of the best in the State of Montana. Commissioner Skelton said it is usable; I can get around that site so easy.

Commissioner Jergeson asked about emails – should we set up a special folder for Commission emails that have been the subject of our deliberation and our work so they are preserved if somebody wants to look at emails we have either sent or received? Dave Ohler said I think, given the high profile of email issues, it would be good if you maintained a file for your emails. Commissioner Cobb did that and he's just sending me a thumbnail of all his emails so we'll be able to maintain that record.

Next Commission Meeting

The next Commission Conference Calls were scheduled for February 21, 2017, March 7, 2017 and March 28, 2017. The next Commission Meeting was scheduled for April 20, 2017.

Adjourned

Meeting Adjourned

Lori K. Ryan, Secretary
Montana Transportation Commission