

Montana Transportation Commission

January 29, 2015 Meeting
Helena, Montana

IN ATTENDANCE

Kevin Howlett, Transportation Commissioner, Chairman
Rick Griffith, Transportation Commissioner
Barb Skelton, Transportation Commissioner
Carol Lambert, Transportation Commissioner (excused)
John Cobb, Transportation Commissioner
Mike Tooley, Director MDT
Pat Wise, Deputy Director MDT
Dwane Kailey, MDT Engineering
Lori Ryan, Commission Secretary
Carol Grell-Morris, MDT
Jim Skinner, MDT
Kevin Christensen, MDT
Lynn Zanto, MDT
Patti McCubbins, MDT
Paul Harker, FHWA
Kevin McLaury, FHWA
Laura Obert, Broadwater County Commissioner

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 lrayn@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 Kevin Howlett

Commissioner Howlett called the meeting to order. After the pledge of allegiance, Commissioner Howlett offered the invocation.

Approval of Minutes

The minutes for the Commission Meeting of October 30, 2014, and the Conference Calls of November 25, 2014 and December 23, 2014, were presented for approval.

Commissioner Griffith moved to approve the minutes for the Commission Meeting of October 30, 2014, and Conference Calls of November 25, 2014 and December 23, 2014. Commissioner Lambert seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 1: Rest Area Plan Update

Lynn Zanto presented the Rest Area Plan Update to the Commission. The plan we were operating under was a 1999 Plan which was amended in 2004. In the early 2000's we were getting real negative input from the public on the condition of the rest areas. Since that time we've taken a real concerted effort to do a more coordinated approach and base how we build rest areas on actual Montana usage rather than relying on national standards through AASHTO. We've had some research projects since that time and put together a Rest Area Coordination Committee that includes not only engineering, maintenance and planning but also DEQ. Our two biggest challenges with rest areas are the water system and the right of way. The Committee meets regularly and looks at the plan together. So this update essentially was to capture our updated process. We've also used Design Build which has brought in more cost efficiencies and we've taken a different approach to maintenance contracts at the rest areas, putting performance goals in to assure

cleanliness and better care of our rest areas. The gain we've seen through public satisfaction has been tremendous.

Montana's Rest Area Plan, which provides the statewide vision for MDT's Rest Area Program, was updated in 2014. The 2014 Rest Area Plan offers comprehensive guidance to address the issues of aging infrastructure; high demand/visibility and limited funding that have traditionally challenged the Rest Area Program.

Beginning in 2009, MDT initiated changes to facilitate more efficient delivery of Rest Area projects. First, a dedicated annual funding source was reserved solely for Rest Area projects. Second, the Statewide Rest Area Prioritization Committee was formed to assist with implementing asset management strategies and establishing project priorities. Lastly, extensive research was conducted to support the various aspects of Rest Area planning and design.

The 2014 Rest Area Plan incorporates these changes into a document that promotes design efficiencies, proper sizing of facilities and enhanced project delivery. The 2014 document replaces the Rest Area Plan advanced in 1999 (and amended in 2004).

Summary: MDT is requesting approval of an update to the Montana Rest Area Plan (last updated in 1999 and amended in 2004). The updated Rest Area Plan provides guidance for optimizing investment decisions and establishing project priorities at all state-maintained Rest Area facilities in Montana.

As part of the Rest Area Plan update, MDT is providing a map (Attachment A) noting the location and status of Rest Areas and Parking Areas statewide. Per the updated Rest Area Plan, this map will be updated annually to provide a Rest Area status report to the Transportation Commission.

Staff recommends approval of the updated Montana Rest Area Plan.

Commissioner Howlett asked Lynn when you get into planning, do you look at volumes of traffic and other things like that? Lynn said that is correct. We wanted to get standards more applicable to Montana, so we've installed door counters and traffic counters coming into the rest areas and tracked that information to know how to size it. Commissioner Howlett said the rest area on Ravalli Hill is seasonal and gets a tremendous volume of traffic. It is a long way between rest areas. Lynn said Ravalli Hill is not our rest area and is not MDT maintained. You have a point about that corridor and there is a gap. Our next step is to see where there isn't year-around service. We may be looking at moving into a corridor planning study to see where a rest area may be located. We are trying to achieve rest area spacing.

Commissioner Griffith moved to approve the Rest Area Plan. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 2: Construction Project on State Highway System Approaches and Turn Lane on East Broadway Street in Missoula

Lynn Zanto presented the Construction Project on State Highway System, Approaches and Turn Lane on East Broadway Street in Missoula to the Commission. The University of Montana is constructing a new building (for Missoula College) on East Broadway Street (U-8112) in Missoula. The University is requesting to modify both existing approaches (from East Broadway to the property) and is proposing to add a westbound left-turn lane (on East Broadway) at the main (eastern) approach to

the building. The left-turn lane is necessary to address traffic generated by the new facility.

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

The University of Montana 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 University of Montana is proposing modifications to the State Highway System to accommodate traffic generated by the construction of a new facility on East Broadway Street (U-8112) in Missoula. Specifically, the University is requesting modifications to two existing approaches (from East Broadway to the new building) and the addition of a westbound left-turn lane (on East Broadway) at the main (eastern) entrance to the facility.

MDT staff recommends that the Commission approve the University's proposed improvements to East Broadway Street, pending concurrence of MDT's Chief Engineer.

Commissioner Griffith moved to approve the Construction Project on State Highway System – Approaches and Turn Lane on East Broadway Street in Missoula. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 3: Local Construction Projects on
State Highway System –
Billings – Broadwater Avenue
Bozeman – Oak Street
Missoula – Brooks Street
Mineral County – MT 135**

Lynn Zanto presented the Local Construction Projects on State Highway System: Billings – Broadwater Avenue; Bozeman – Oak Street; Missoula – Brooks Street, and Mineral County – MT 135 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: Billings, Bozeman, Missoula and Mineral County 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 Billings, Bozeman, Missoula and Mineral County to let and award contracts for the projects listed below.

Location	Type of Work	Cost (estimate)	Fiscal Year	Type of Labor
Broadwater Avenue (U-1006), Between 24 th Street West and 18 th Street West, in Billings	Overlay	\$560,000	2015	Contract
Oak Street (U-1202), Between N 19 th Avenue and N 17 th Avenue, in Bozeman	Reconstruction with Added Capacity	\$800,000	2015	Contract
Brooks Street (N-7), Between Reserve Street and Dixon Avenue, in Missoula	Median Work, ADA, Bike/Ped, Landscaping	\$1,570,000	2015	Contract
MT-135 (P-35), From RP 0.750 to RP 1.264, in Mineral County	Shared Use Path	\$150,000	2015	Contract

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

Commissioner Howlett said we had quite a discussion with the Contractors Association about this item. Lynn said yes but they were more concerned with the South 3rd Reconstruct not any of these projects. Commissioner Howlett said the statute can clearly delegate these to the communities to do. Lynn said that is correct. Commissioner Howlett asked if they use local crews. Lynn said they have to follow contracting laws. Commissioner Griffith asked if the communities do these projects themselves and then contract them out. Lynn said yes.

Commissioner Griffith moved to approve the Local Construction Projects on State Highway System: Billings – Broadwater Avenue; Bozeman – Oak Street; Missoula – Brooks Street; and Mineral County – MT 135. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 4: Local Construction Projects on State Highway System – Local Forces Cities of Great Falls and Kalispell

Lynn Zanto presented the Local Construction Projects on State Highway System – Local Forces: Cities of Great Falls and Kalispell 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: The cities of Great Falls and Kalispell are planning to design and build transportation improvement projects on the Urban Highway System. The projects will be funded with local funds using local forces. These projects will be designed with input and concurrence from MDT staff to the extent practicable. In general, the public supports these projects.

On behalf of the local governments, as required by MCA 60-2-110, staff requests that the Transportation Commission approve the local projects listed below.

Location	Type of Work	Cost (estimate)	Fiscal Year	Type of Labor
6 th Street S. (U-5209), Between Central Ave and 3 rd Ave S, in Great Falls	Mill & Overlay	\$75,000	2015	Local
26 th Street N. (U-5226), Between 4 th Ave N and 8 th Ave N, in Great Falls	Mill & Overlay	\$100,000	2015	Local
38 th Street N. (U-5219), Between 7 th Ave N and 10 th Ave N, in Great Falls	Mill & Overlay	\$75,000	2015	Local
5 th Ave W. (U-6721), Between 1 st Street and 5 th Street, in Kalispell	Mill & Overlay	\$28,000	2015	Local
5 th Ave W. (U-6721), Between 10 th Street and 11 th Street, in Kalispell	Mill & Overlay	\$7,000	2015	Local
4 th Ave E. (U-6725), Between Idaho Street and Center St, in Kalispell	Mill & Overlay	\$28,000	2015	Local

Staff recommends that the Commission approve these projects, pending concurrence of MDT’s Chief Engineer.

Commissioner Howlett asked if anyone looked at these for cost. Lynn said we coordinate with our Districts. Dwane Kailey said they typically work with the District staff, either maintenance personnel and/or the preconstruction engineer. We’re not as concerned so much with the estimate as much as the design they are proposing and if it’s appropriate for the roadway. Most of this is local forces so the estimate isn’t a big issue, it’s what they are doing on their end. Commissioner Howlett said he was trying to back up what might be a contractor’s complaint that they are not being very efficient with their funds and is not cost effective. Dwane Kailey said we don’t verify the estimate; we’re trusting in their estimate. Lynn said on this type of work I don’t think the contractors are very concerned because these are low cost projects. I think it is more when they see local governments doing a big project.

Commissioner Skelton asked who comes up with the cost estimate. Lynn said the local governments. They are paying for it; it’s their budget and their project. It is just on the state system. Commissioner Skelton asked if they were city governments. Lynn said yes. Commissioner Howlett said they have their own engineering staff that arrives at these costs.

Commissioner Griffith moved to approve the Local Construction Projects on State Highway System – Local Forces: Cities of Great Falls and Kalispell. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 5: Construction Project on State Highway System – Airport Road – Great Falls

Lynn Zanto presented the Construction Project on State Highway System: Airport Road – Great Falls to the Commission. The Great Falls International Airport Authority (GFIAA) is proposing improvements to Airport Road (U-5212) as part of an overall renovation effort at the facility. The proposed project would add merge lanes, a left-turn bay (at the Montana Air National Guard approach) and a through lane near the water tower. The project would also rehabilitate (mill and fill) the existing pavement on Airport Road.

MDT, the GFIAA, and the city of Great Falls have entered into a Memorandum of Understanding (MOU) concerning the roles and responsibilities relating to these improvements - with the GFIAA taking over future maintenance responsibility from the City of Great Falls.

The GFIAA 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 Great Falls International Airport Authority (GFIAA) is proposing modifications to the State Highway System as part of an overall renovation effort at the facility. Specifically, the GFIAA is proposing to add merge lanes, a left-turn bay and a through lane as part of a rehabilitation project on Airport Road (U-5212) in Great Falls.

MDT staff recommends that the Commission approve the GFIAA's proposed improvements to Airport Road, pending concurrence of MDT's Chief Engineer.

Commissioner Cobb moved to approve the Construction Project on State Highway System: Airport Road – Great Falls. Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 6: Bridge Program Projects – Missoula District, Bridge Rehabilitation and Replacement Projects

Lynn Zanto presented the Bridge Program Projects – Missoula District, Bridge Rehabilitation and Replacement Projects to the Commission. MDT's Bridge Bureau reviews bridge conditions statewide and provides recommendations for construction projects to be added to the Bridge Program. At this time, the Bridge Bureau recommends adding the following projects to the program:

Bridge Rehabilitation Project

Steel Bridge Rehab – Corrosion 1: This project targets 28 steel bridges with documented corrosion located on National Highway System (NHS) routes in the Missoula District. Many of these bridges are structurally deficient due to deterioration. The goal of the project is to extend the life of the bridges in a cost-effective manner. The total estimated project cost is approximately \$9,514,000.

Bridge Replacement Project

Groom/Hall Creek – 1 Mile W of Swan Lake: The intent of this project is to replace two structurally deficient timber bridges on MT-83 (P-83). One bridge spans Groom Creek and the other structure crosses Hall Creek. Both structures are located approximately one mile west of Swan Lake. Minimal road work is anticipated and rapid replacement techniques will be utilized. The total estimated project cost is approximately \$770,000.

Summary: MDT is requesting Commission approval for two bridge projects in the Missoula District. One project will rehabilitate 28 steel bridges on National Highway System (NHS) routes and the other will replace two timber structures (spanning Groom Creek and Hall Creek) on MT-83 (P-83), west of Swan Lake. The total estimated cost for both projects is approximately \$10,284,000. MDT's Bridge Program will fund these projects with Surface Transportation Program (STPB) and National Highway System (NHPB) funds specifically reserved for bridge work.

The proposed projects are consistent with the goals and objectives identified in the Performance Programming (P3) Process – as well as the policy direction established in TRANPLAN-21. 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 projects to the Bridge Program.

Commissioner Cobb said he read a report that said our roads are falling apart and our bridges are not good especially on I-90. Then we do this and I'm trying to figure out where we're at with roads falling apart and fixing things. Are we falling behind? Lynn Zanto said our Bridge Bureau does a very good job of trying to do the best with what we've got. We've made progress on our performance goal to reduce the number of structurally deficient and functionally obsolete bridges. We've made improvements but the problem is the federal funding issue at the national level. Our funding is declining so when we project out and look at performance long term, if our funding stays the same or decreases, we will start to see more issues with our bridges. Commissioner Cobb said we are going down now. If we don't get additional resources we're going to have more issues.

Commissioner Howlett asked about the bridge repairs on I-90 west of Missoula. Lynn said that is part of the bridge rehab in the Missoula District. There are I-90 bridges both east bound and west bound, US 2 bridges, US 93 bridges, and MT 200 bridges.

Commissioner Howlett asked about \$770,000 for Groom Creek Hall, and \$9,514,000 for the other one? Lynn said the \$9.5 million dollar project is for 28 bridge locations. Commissioner Howlett asked if her request was just for the \$770,000 right now. Lynn Zanto said she was requesting both. There are two projects – one entails 28 locations. The other is west of Swan and there are two structures for \$770,000.

Commissioner Griffith moved to approve the Bridge Program Projects – Missoula District, Bridge Rehabilitation and Replacement Projects. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 7: Highway Safety Improvement Program – On-System HSIP Projects

Lynn Zanto presented the Highway Safety Improvement Program – On-System HSIP Projects to the Commission. The Highway Safety Improvement (HSIP) Program makes federal funding available to states to assist with the implementation of a data-driven and strategic approach to improving highway safety on all public roads. In Montana, the primary focus of the HSIP program involves identifying locations with crash trends (where feasible countermeasures exist) and prioritizing work according to benefit/cost ratios.

MDT is proposing to add 32 projects to the HSIP program – nine in District 1, three in District 2, nine in District 3, three in District 4, and eight in District 5. The

projects meet the criteria set forth for HSIP-funded projects. If approved, it would be MDT's intention to let these projects individually.

The estimated total cost for all projects is approximately \$23,579,000.

Summary: MDT is asking the Commission to approve the addition of 32 projects (listed on Attachment A) to the Highway Safety Improvement Program. The proposed projects are consistent with the goals and objectives identified in the Performance Programming (P3) Process – as well as the policy direction established in TRANPLAN-21. Specifically, traveler safety, access management and bike/ped features will be enhanced with the addition of these projects to the HSIP program.

The total estimated cost for all projects is approximately \$23,579,000.

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

Commissioner Cobb asked about the big project in Ravalli County for \$8.5 million. Is this for widening? Lynn said yes. Usually our projects are low cost guard rail improvements but we have been working on looking at more systemic improvements where we can show the benefit for “run-off-the-road crashes or lane departure crashes” which is one of our top crashes in the State. Commissioner Cobb asked if they were going to widen the shoulders for miles and miles. Lynn said yes. Dwane Kailey said we will widen the road for about six miles south of Stevensville. It is now a very narrow 24-foot wide roadway with a lot of traffic. Commissioner Cobb asked why it wasn't under other projects that we do normally. Dwane Kailey said this is a secondary route where the project funds are prioritized by the Secondary Roadway Committee. Given the growth in that area, they are actually funding a number of projects north on this same route. With the accident history we're able to devote safety funds to it and hopefully save some lives before the Secondary Roadway Funds would be available to make this improvement.

Commissioner Cobb said I'm trying to understand bidding for rehabilitation. We're starting to see bigger projects come over here and I'm wondering how you divide that line. Dwane Kailey said we've seen growth in our HSIP funds and it's opened up the doorway for us to do larger projects that we weren't able to do in the past. With limited funding in some other categories, especially the Secondary Roadway Program, this is a huge benefit. We wouldn't be able to address this corridor for five-to-ten years and there are a fair number of lives we could lose in this corridor without this. Commissioner Cobb said then every year when you divide money between the Districts would this be taken into consideration? Lynn said yes the improvements will be reflected as we're looking at priorities. This is a stand-alone funding category. Commissioner Cobb asked if it was for fixing things right now that can't wait five-to-ten years to do it the regular way. Lynn said that is correct.

Commissioner Griffith asked about the improvements we did on the Zimmerman Trail versus what we're doing now. Lynn said we did the rock work. Commissioner Griffith asked why they didn't do the intersection then. It is only two tenths of a mile long and it just says “intersection”. Lynn said it is an intersection improvement not a bike path. On Zimmerman Trail we did emergency rock fall stabilization. This is an intersection improvement. Commissioner Griffith said I'm wondering why we just had a project at Zimmerman Trail and why we didn't do this work with that other project. Lynn said that was an emergency project and the local project was earmarked funds and a constrained budget for the whole Zimmerman Trail. There was not enough budget for this. Commissioner Skelton asked what the local government project was. Are we going to tie this into the local government work so it all goes together? Are we just going out and reconstructing the intersection? \$3 million on an intersection is a lot – what are we going to do there? Dwane Kailey said they would gather a little more information and get back to you. As far as why

we didn't tie the two together, we had high risk with the rock fall so we really expedited the project to address the risks. That is why we didn't tie any other work to that. This is associated with the intersection with Hwy 3. Commissioner Griffith asked if MT 3 goes up to Broadview. Lynn said yes.

Commissioner Howlett said we need to pull this particular project until you get us more information. Dwane Kailey recommended approval and said he would get back to the Commission with more information. We've talked a number of alternatives at this intersection including grade-separated. It is because of the volume of traffic up there – it is so large and it's a tough area. Commissioner Howlett said we are not comfortable approving this until we get more information. That's a lot of money for an intersection. Commissioner Griffith said we're used to looking at \$200,000 as a big project but this was a surprise to see \$4 million for a single project without much description. Dwane said he would bring the information back to the Commission.

Commissioner Cobb asked about Duck Road. Is that to keep the horses off? Lynn said there have been issues with domestic animals. Dwane said we are fencing it off. Commissioner Howlett said that is on a Reservation and the road probably bisects different leases. Have you been through a process with the Tribe? I'm sure they'd be in agreement but we should have some kind of understanding about what we're doing and why. Dwane Kailey said we typically nominate the project and then once we have it initiated we reach out to the Tribe and the landowners and start having those conversations. That way we can charge to the federal dollars. We'd like to get the project nominated and then have those communications. Commissioner Howlett asked if the Blackfeet Tribal Business Council had contacted them. Director Tooley said he visited with the Blackfeet Tribal Business Council. Fencing is one of their big issues to keep domestic animals off the roadway here and on Hwy 89. They've asked us to make that a priority. Commissioner Howlett said that's good but there are large tracts of land that get leased and sometimes highways intersect them and having some dialogue and transparency about what's going on can alleviate problems down the road. I appreciate that you done that.

Commissioner Cobb said I'd like some information on why it's costing so much to build those fences. Commissioner Howlett said \$100,000 per mile is a lot of money. Dwane said I'll get with the Safety Engineer and get that information for fencing and the intersection for you.

The department is working towards the Simms Program and trying to be proactive in the type of projects we do. So if we have problems with some type of curve, we can use the information to do improvements to the curves that are similar that may not have had problems but we can take care of them ahead of time. We are excited about this. Phase I is completed and we're working towards Phase II. I think we will better utilize the scarce dollars that we have for the Safety Program with this new approach. Commissioner Griffith said my problem is not that part of it; we're not used to seeing this big of a project on the list. Not only big projects but projects that not everybody in this room understands including the staff. Maybe we need the Safety Program Manager here to explain safety projects so when these questions come up he can answer them. For a big project I'd expect a little bit more detail than "intersection improvements." Director Tooley agreed. This is new to us as well and we'll make sure when this comes up again there will be somebody here that can specifically answer those questions.

Commissioner Cobb moved to approve the Highway Safety Improvement Program – On-System HSIP Projects with the exception of Zimmerman Trail. Commissioner Griffith seconded the motion. All Commissioners voted aye. Dwane Kailey will follow up with the Commission to clarify the Zimmerman Trail Project. The Zimmerman Trail will be presented at the next Commission meeting.

The motion passed unanimously.

Agenda Item No. 8: Speed Limit Recommendation MT 16 Antelope

Dwane Kailey presented the Speed Limit Recommendation, MT 16 Antelope to the Commission. We were requested by the Sheridan County Commissioners to look at increasing the speed limit from 45 mph to 55 mph on MT 16 as it passes through the community of Antelope. We have reviewed the accident history and the citation data. There were 64 citations issued in the area in a three-year period and 55 of those were speed limit violations. Based on our review of the accident history, roadway configuration and traveling speeds, it is our recommendation to increase the speed to 55 mph. We presented that to the Sheridan County Commissioners and they approved it. However, shortly after that we received a petition from concerned citizens from the area of Antelope. I've handed that out to you. There are two letters as well as a petition signed by approximately 20+ individuals. After we received this we reached out to the County Commissioners to ask if they were standing behind their concurrence and our recommendation or wanted to revise their concurrence. They are standing behind their recommendation and concurrence of increasing the speed limit to 55 mph.

Commissioner Howlett asked why we would want to speed up traffic through a little town where people enjoy the tranquility of a small community. They are there for a reason; if they wanted to somewhere else they could have built something along Hwy 93 if they wanted to be in a speed zone. I'm just curious. I take to heart this petition from the people. I also take to heart the position of the County Commissioners. As you well know, this Commission has been very deliberate in seeking out comments of the people affected by our actions. I don't know if the 97 residents of Antelope who presented the petition have presented this to the County Commissioners. Dwane said he was not sure. When Shane talked to the County Commissioners, they were aware of the public unrest and the public's desire to not increase the speed limit. Even with that they still wanted to pursue increasing the speed limit.

Commissioner Howlett asked who initiated the speed request – the Department or the County Commission. Dwane said it came from the county. Commissioner Howlett asked why they would want to speed the traffic up through Antelope; was there any economic benefit. Dwane said he was not aware of any economic benefits to do that. As you can see there were 55 citations related to speed limit violations. Commissioner Howlett asked if it was an incorporated city. Are the tickets being written by the county or local? Dwane was not sure.

Commissioner Cobb felt they should leave the speed limit where it was. Commissioner Griffith agreed. Commissioner Skelton said she would leave it there. Commissioner Howlett asked if they had to take action. Dwane said the Department would prefer you take an action but you do not have to do so at this meeting. Commissioner Howlett said he had not heard about this problem and if the community of Antelope is comfortable with the speed limit then leave it alone. I don't think we need to do anything right now. I'd like to have Commissioner Carol Lambert's input into this.

Commissioner Griffith moved to table the request and maintain the current speed limit for MT 16 Antelope. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 9: Speed Limit Recommendation
Secondary 543 – Jordan to Hell Creek
State Park**

Dwane Kailey presented the Speed Limit Recommendation, Secondary 543 – Jordan to Hell Creek State Park to the Commission. We did institute an interim 45 mph speed limit in this area and we are now presenting the Engineering Study for that area. We have reviewed the accident history and the travel speeds. We initially recommended a 50 mph speed limit through the main part of the corridor, however, based on comments back from Garfield County, we concur with the 45 mph recommendation.

Therefore our recommendation to the Commission is:

A 35 mph speed limit beginning at the intersection with Secondary 245, Brusett Road and continuing north to straight-line diagram station 11+00, an approximate distance of 1,100 feet.

A 45 mph speed limit beginning at station 11+00 (1,100 feet north of Secondary 245) and continuing north to milepost 23.9, an approximate distance of 23.7 miles.

A 30 mph speed limit beginning at milepost 23.9 (300' south of the Visitor Information Pull-out) and continuing into the Hell Creek State Park-Recreation area to the end of the Secondary 543 route designation, an approximate distance of 1-mile.

We have Garfield County's concurrence in that recommendation.

Commissioner Cobb moved to approve the Speed Limit Recommendation for Secondary 543 – Jordan to Hell Creek State Park. Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 10: Speed Limit Recommendation
Railroad Street & Shay Road (U6902)**

Dwane Kailey presented the Speed Limit Recommendation, Railroad Street & Shay Road (U6902) to the Commission. This was prompted by a request from the city of Laurel. We have reviewed the characteristics of the road, the travel speeds, the crash history, and at this time we are recommending the following speed zone:

A 35 mph speed limit beginning at station 30+00 adjacent to the intersection with 8th Avenue South and continuing west to station 37+00, an approximate distance of 700 feet.

A 45 mph speed limit beginning at station 37+00 and continuing west to station 60+00, an approximate distance of 2,300 feet.

A 55 mph speed limit beginning at station 60+00 and continuing to the end of the "urban route" designation at the intersection with Frank Road, an approximate distance of 5,100 feet.

Commissioner Cobb asked about the winding road warning signs. Is that what the road actually does or are the signs backwards from what the road does? Dwane Kailey said his staff has recognized that and they are fixing the signs.

Commissioner Skelton moved to approve the Speed Limit Recommendation for Railroad Street & Shay Road (U6902). Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No.11: Speed Limit Recommendation
US 89 – Choteau North**

Dwane Kailey presented the Speed Limit Recommendation, US 89 – Choteau North to the Commission. This was prompted by a request by the city of Choteau asking to extend the 35 mph speed limit further north. We have reviewed the roadway characteristics, the citations, the accident information, as well as the travelling speeds. At this time we are recommending the following:

A 30 mph speed limit beginning at station 49+00, project F 3-2(17) (south side of the intersection with 6th Street NW) and continuing north to station 2+00, an approximate distance of 2,200 feet.

A 40 mph speed limit beginning at station 2+00, project FAP 136 (700' north of 10th Street NW) and continuing north to station 21+00, an approximate distance of 1,900 feet.

A 50 mph speed limit beginning at station 21+00, project FAP 136 (1050' north of Stenson Road) and continuing north to station 33+00, an approximate distance of 1,200 feet.

We have presented this to the city of Choteau and they have concurred with this information.

Commissioner Cobb moved to approve the Speed Limit Recommendation for US 89 – Choteau North. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 12: Speed Limit Recommendation
US 287 – Augusta North**

Dwane Kailey presented the Speed Limit Recommendation, US 287 – Augusta North to the Commission. This is an investigation conducted at the request of Lewis and Clark County and encompasses segments of US 287. We have reviewed the area, the accident history, the roadway configuration, as well as the travelling speeds. We are presenting the following recommendation:

A 35 mph speed limit beginning at station 18+00, project NRH 176 E (150' north of the intersection with Walrath Street) and continuing north to station 25+50, an approximate distance of 750 feet.

A 45 mph speed limit beginning at station 25+50, project NRH 176 E (north side of the intersection with Warden Street) and continuing north to station 34+00, an approximate distance of 850 feet.

A 55 mph speed limit beginning at station 34+00, project NRH 176 E and continuing north to station 91+50, an approximate distance of 1.1 miles.

We have the concurrence of Lewis and Clark County.

Commissioner Cobb moved to approve the Speed Limit Recommendation for US 287 – Augusta North. Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 13: Speed Limit Recommendation US 287 – Winston

Dwane Kailey presented the Speed Limit Recommendation, US 287 – Winston to the Commission. We handed out a speed study on US 12 in and around the community of Winston. Based on safety concerns voiced by the area citizens and the Broadwater County Commissioners, we have reviewed the roadway characteristics, as well as the traveling speeds and at this time we have recommended a no change.

One thing to note is that there are two crosswalks for the school and we recommended to the County Commissioners that they could use the option of a school zone which would reduce the speed limit to 80% of the adopted statutory speed which would bring it down to 55 mph. The County Commissioners did not agree with that recommendation and conversely are asking for a 55 mph speed limit in the area. They are asking for 45 mph or 55 mph in the area. Commissioner Howlett said you have two crosswalks in a 70 mph speed zone. Dwane said that was correct. Dwane Kailey said there are some citizens here that want to speak to this issue as well.

Laura Obert, Broadwater County Commissioner

The gentlemen here with me are citizens of Winston who have also come here today in support of a reduction of the speed limit. I have some pictures I'd like to hand out that are a variety of pictures of the Winston community as well as a quick overview and facts and a support letter from Broadwater County Development Corporation.

First of all I want you to know that we have a very good relationship with MDT. They've been to Broadwater County to work with us on this and they told us to come to you. We have a lot of projects with MDT and a very good relationship with them.

The first picture is an overview of the business center of Winston. Winston was started as a stage stop over 100 years ago. It has been said there is only one business on the highway but there are actually five. The Big Bull is furthest to the south. There is now a coffee kiosk there. There is a kiosk with information for tourists. This road goes to White Earth Campground right on Canyon Ferry Lake. There is also an old fashioned general store. It also has a post office and a gas station. There is also the Winston Fire Department on the north side of the highway that is undergoing expansion right now. It is also where the citizens from this precinct go to vote. Behind that is Implement Dealer, there are home based businesses and there is a new business as of July – The Stonehouse Distillery. Their rum will now be a featured rum in Yellowstone National Park. They've also got a tasting room.

We have two gold mines. There were five ore trucks per day but I don't think they are operating right now because the price of gold has gone down. They come and go. There are numerous farms and ranches. You can see the crosswalk crossing Hwy 287. The bus stops right in front of the general store. Most of the homes for Winston are on the other side of the highway; thus the crosswalk. There are school zone crossing lights right at the entrances of Winston on either side.

The problem is that Winston is kind of hidden. Winston is in a swale. When you come through McMasters, you actually have three tenths of mile from when you crest

that hill and look into Winston and realize you are coming into a town center. Full Creek has a lot of foliage that comes out and hides Elk and Moose. When you come out of that you kind of breathe a sigh of relief and can take your mind off driving for another minute but you only have another three tenths of a mile to realize you're in a town center again with a crosswalk crossing the highway.

These are three reasons we are requesting traffic calming. Ideally the citizens would like 45 mph but we would be happy with 55 mph or 60 mph. Again it slows people down and alerts the driver that there is something coming up. Some of the people we worry about are tourists who don't know Winston. Montanans do but tourists do not. They are on this town center without any warning at all. That's the reason we didn't like the school zone compromise offered by MDT because we have more tourist traffic in the summer and more kids crossing the crosswalk. You know kids – they don't always pay as much attention as they should. Seniors also cross the crosswalk to get their mail.

There are also two subdivisions on the other side of Winston. There are 52 lots and about 36 homes either built or in process. It's an unincorporated town that is why I'm here as a County Commissioner and not a City Councilman. We also have one railroad track parallel to the highway that crosses into the neighborhoods. Often cars will be backed up onto the highway. Again with very little warning. We have about 24-26 trains per day. Broadwater County was the second fastest growing county in the last census. We grew by 26% and every year since about 2.4% growth. Winston itself is growing. With that I'm happy to answer some questions. I appreciate your time and appreciate you considering our request. Thank you

Commissioner Howlett asked about 45-55-60 mph request. What is your preference? Laura Obert said her preference would be 55 mph but I would be happy with either of the others. I think 55 mph is most realistic request. Commissioner Howlett asked Dwane about the school zone. Was that based on the school year? Dwane said they could set it up either way. The school zone does not restrict it to the school season. Commissioner Howlett asked what the problem would be with that. Laura Obert said our worry is the drop off and pickup times but also throughout the day especially in the summer months. Commissioner Howlett said it doesn't have to change during the summer months. Laura Obert said that was a misunderstanding on our part. That would be very good. Commissioner Howlett said that would only encompass the school and not the entire community. Dwane Kailey said that law was adjusted in the last Legislative session. Now it can be determined by the roadways encompassing the school as determined by the local government. It can be fairly broad if the local government wants it to be. Commissioner Howlett said the local County Commission could decide to set it to 55 mph. Do you want to take that option? Laura Obert said to be clear you are saying the Commission could impose a school zone for that Winston community and impose 45 mph year around? Commissioner Howlett said it would have to be 55 mph. Do we have to do that or can the County Commissioners do that? Dwane Kailey said it is the local government that requests a school zone not the Commission. They can request the Department do that. Commissioner Howlett we will let them do that for themselves. Laura Obert said thank you for your help and your time.

Carol Grell-Morris said the actual wording is “the County officials will need to pass a resolution and submit a copy of that to MDT.”

Commissioner Griffith moved to approve the Speed Limit Recommendation for US 287 – Winston. Commissioner Skelton seconded the motion. All Commissioners voted aye. *Broadwater County Commissioners will enact a special speed zone.

The motion passed unanimously.

Elected Officials/Public Comment

No public comment.

Agenda Item No. 14: Certificates of Completion September, October, November 2014

Dwane Kailey presented the Certificates of Completion for September, October and November 2014, to the Commission. They are presented for your review and approval as well as the associated DBE Goals as requested by the Commission. If you have any questions, please feel free to ask.

Commissioner Cobb asked about a Contract for \$948,000. What was the extra work there? Dwane Kailey said he would get that information to him. The amount for Geostabilization, Int. was \$3.5 to \$4.0 million – was that for more work on the slides. Dwane Kailey said that is correct. Commissioner Howlett asked about the Winston project. Was that an addition so that screwed our numbers up? Lynn Zanto said Winston was an addition after Agendas had already been printed and sent.

Commissioner Griffith moved to approve the Certificates of Completion for September, October, and November 2014. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 15: Project Change Orders September, October, November 2014

Dwane Kailey presented the Project Change Orders for September, October and November 2014, to the Commission. They are presented for your review and approval. Staff recommends your approval.

Commissioner Cobb said HB 494 put a new finalization process in place. Sometimes you put \$500 and sometimes you put zero. HB 494 was passed last session – can you explain that. Dwane Kailey said the \$500 that we were adding in to that Change Order was to cover the cost of the DEQ storm water discharge permit. We've now put in a special provision that addresses that so the Contractor knows he needs to pay for that. Originally we did not have that in the contract, so we needed to compensate the Contractor for the \$500. Commissioner Cobb said in the future this won't be in there. Dwane Kailey said the newer ones do not have that \$500 in there. The older ones still contain the \$500. They should eventually all go away.

Kevin Christensen said the whole issue was to transfer the storm water discharge permit. Before the Department was paying for that. It was a very cumbersome transaction between MDT and DEQ called an Interagency Journal and would take a number of months. If the Contractor pays that fee it only takes one week. Commissioner Cobb asked what a splitter island was. In the Great Falls District from September 30th it says "add a curb to a splitter island." Dwane Kailey said when you take a right-hand turn there is a median island or raised-curb island to separate the turn lane from the through traffic. That forces cars into that radius so they are not cutting the corner.

Commissioner Griffith moved to approve the Project Change Orders for September, October and November 2014. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 16: Letting Lists

Dwane Kailey presented the Proposed Letting Lists for the months of January through the month of June to the Commission. This is presented for your review and approval. If you have any questions, please don't hesitate to ask.

Commissioner Cobb asked if there were any new additions. Dwane said the respective letting may have slipped a week but the projects were the ones you approved in the Red Book.

Commissioner Cobb moved to approve the Letting Lists. Commissioner Griffith seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 17: Design Build Projects Divide Rest Area

Kevin Christensen presented the Design Build Project – Divide Rest Area to the Commission. Last September we solicited for qualifications for this project. We received six responses. Of those six responses we short listed three firms.

Diamond Construction/WGM Group/Bjerke Arch./AMES Eng./Millenium Eng./Contour/ Pioneer Technical Services/D3 Design

CDM Smith/CWG Arch./Beaudette Eng./Consulting Design Solutions

Langlas & Assoc./Stahly Eng./ Dowling Architects/ACD Eng.

We scored the Technical Proposals submitted and they were all responsive. We opened Bid Price Proposals January 16th and CDM Smith/DWG Arch./Beaudette Eng./Consulting Design Solutions represented the best value on this project. The bid was slightly higher than the low bid but the score for the Technical Proposal was head and shoulders above the others. It represents a lot of added value to the taxpayer.

With that the staff recommends that all three firms receive the Stipend for submitting Technical Proposals and that the CDM Smith Firm be awarded the project. Commissioner Howlett asked what made it more valuable. Kevin Christensen said the CDM Proposal was far superior. Some of the things that added value were double doors in the vestibule, a 90-foot concrete approach to the truck scale when trucks are waiting to be weighed. A lot of these items are above and beyond what was required in the RFP. They provided a two-year warranty when only one year was required. One of the big things was safety. They provided egress doors. A lot of the designs only had entrance doors but they provided egress doors in the back part of the building for safety. The heating/ventilation system was a high efficiency system that was far superior to the other two proposals. For maintenance that had two storage rooms rather than one and they were heated. This firm had a comprehensive quality management plan that was above and beyond the other firms. Those are kind of the higher level items.

Commissioner Howlett said when you decide you are going to do a rest area, do you just have them submit their thoughts on it or do you have specs that you want included. How does that work? Kevin Christensen said we develop an RFP that is specific to the project which lays out all the specification they have to follow, then the minimum standards that we're looking for. Commissioner Howlett said when you get proposals that have added things that give them more weight, do those become part of your next project? Kevin Christensen said some of them do.

Commissioner Griffith asked if this was a new rest area. Kevin Christensen said this is replacing the existing rest area on the east side of the Interstate. Commissioner Griffith asked if they would be moving it back closer to the Divide. Kevin said it will go where the existing rest area sits.

Commissioner Griffith asked when the rest area on I-90 towards Missoula going to be done. Kevin said that project is essentially complete but we're having some issues with the concrete floors cracking. We met with the Contractor last week and went through the rest area and told him what we were not going to accept. They came up with an acceptable fix that we think will take care of the problem. They are applying a special coating to the concrete floor that is specifically designed to address the cracks. We think it is a good fix. So it should be completed shortly. We're putting a lot of pressure on the contractor to get that rest area open. I believe they are in liquidated damages as well. Commissioner Griffith asked the reason for the cracking. Kevin said there is a small amount of settlement and some issues with finishing as well. So it's a combination of things but it is something we are not prepared to accept.

Commissioner Howlett said they don't do commercial businesses at rest areas but what about historical information relative to the area. Do we solicit that from local historians or Tribes or people like that? That particular area is very significant to the Salish people. Lynn Zanto said we put information like that in information displays at the rest areas. Commissioner Howlett said one of the things the Salish Elder's Committee has done is place names of historical places that are on the original homeland to the Salish people. That would be really nice to have in those areas. I would ask that you reach out to the Salish Cultural Committee to see if there is an interest in having that kind of information available there. We're always trying to let people know that we still exist. The Commission thought that was a great idea.

Commissioner Griffith moved to approve the Design Build Project and Stipends for the Divide Rest Area. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Directors Discussion & Follow-up

I'd like to reintroduce you to Mr. Jim Skinner who is here today as a matter of follow-up on delegation project authority. We had a discussion at the last meeting and you requested further information.

Permit Review Process, Jim Skinner

I have a general overview of our permit review process. The process is called a System Impact Action Process. It is a coordinated review of non-MDT related requests to do something on our right-of-way whether it's an approach, an encroachment, utility occupancy, and is related to the bigger things. If there is a residential lot where somebody wants an access on a low volume secondary route – we don't handle that. We handle the larger things. These are things that would come before the Commission because they have to do improvements to mitigate their use. I sent you some information about our process, i.e., our handbook. We send this out when we get a request from a developer or consultant we haven't worked with before. We provide them the material up front so they have an idea what we expect when they go through the evaluation process.

The process is established in our Long Range Transportation Plan: “The Policy Goal is to consistently apply MDT’s SIAP Process to ensure developers equitably mitigate their impacts to the highway system.”

There are a couple of important things in there: (1) they mitigate their impacts to the system.” We’re trying to protect the taxpayer’s investment in the system.. So if you have a particular development or proposal that’s going to come forward and cause a very local impact on the system that’s going to benefit them, they are responsible for mitigating that impact so the taxpayers don’t have to come back a year later because we have a safety problem and then have an MDT project to mitigate those impacts. (2) “Equitable” is another important part. We try to make sure we don’t hold anybody responsible for more than the impacts they cause on the system. We’re not trying to get them to improve the system. Overall we want them to address the issues they are causing.

A couple of other goals that we work towards. One is that we make sure we don’t violate any environmental processes or environmental laws. Issuing a permit is a state action and it falls under MEPA so we make sure we comply with MEPA. Depending on the nature of the action, it might also fall under NEPA so if there is a federal agency involved we coordinate with them as well. Our main goal is to preserve the safety and operation of our system that’s in place so that we don’t have to come back and address an issue after development.

The types of projects that we get are usually residential subdivisions, big commercial subdivisions, and those kinds of things. We also coordinate review of non-MDT initiated environmental reviews which are usually large linear facilities like pipelines, power transmission generations and those kinds of things. Anything that falls under the Major Facilities Citing Act which is pretty rare anymore. The threshold for getting under that Act, as far as a coordinated state review, is very high so there are very few of those but they happen once in a while.

Commissioner Howlett asked about Keystone. What if that passes? Jim Skinner said yes. The criteria has to do with size or diameter of the pipeline. Tongue River Railroad would be the same. Commissioner Howlett asked what is happening around Glendive with the pipeline that needs to be replaced. Jim Skinner said we haven’t had any involvement with that as far as our authority. The linear projects usually hit us at a very specific point and usually just have issues with our right-of-way. Commissioner Howlett said they talked about replacing a whole section of the pipeline under the river and whether there were any roads in there. Jim Skinner said if they get to that point they will have to come to us if they impact any of our right-of-way. That would be one of the larger reviews with multiple agencies and multiple processes.

We get involved with development of larger facilities, major facilities citing, and then anything that has access control. If anybody wants a new approach that’s going to require amending a resolution, then that goes through our process. Anything a District wants us to look at. Sometimes the Districts have more specific information about a location where a proposal might not on the surface seem like it will be a big deal but if the District’s know we have an existing hydraulics problem or geotechnical problem, they will ask us to review the entire roadway.

The way that review takes place is kind of a process. This is in the handbook you received. Usually we’re notified of the request through the District offices. They will ask for an encroachment permit from the District. The District will take an initial look at it and if they think it is going to meet one of our criteria or threshold or has the potential to permanently and significantly impact the operation of our system, they will forward it to Helena and ask us to look at it. If there are issues then we’ll handle it out of Helena. At that point we’ll notify the requester and tell them it will

be coordinated in Helena and then a project manager would be assigned and they would start the review.

Usually the first thing we would do is to request additional information. If it is a request for a large retail center and they just submit an approach permit, we're probably going to ask them what kind of a retail center and for some sort of traffic analysis to show where they want their access and how it's going to interact with the existing system. So one of the first things we ask for is a traffic impact study. They provide that to us and we route that through the agency and make sure everybody sees it and provides comments whether they agree or disagree with the findings. Then we write a response back to the requester. That would be for a residential or commercial development that wants access. That is the most common thing we ask for. We could get into all kinds of studies, i.e., geotechnical, hydraulics. If they are going to impact those things then they have to provide us the same kind of information that we develop for our projects.

Commissioner Howlett asked about wildlife. Jim Skinner said part of our process deals with issues like that. That is incorporated in our environmental checklist for each and every project. Commissioner Howlett said as we talk about fencing wildlife migration patterns comes into play. Jim Skinner said he would touch on that later.

Jim Skinner said when we receive the information requested, at that point we have a discussion with the requester to let them know if we need anything more. Then we try to reach an agreement, i.e., storm water system off our facility so they are not discharging on our facility, if it's a pipeline it might be minimum bore depths and some sort of shielding. So there are a whole host of things we can agree to as far as conditions for issuing a permit. At that point, if the project is going to have an impact on our system as far as mitigations that will change the operation of the system beyond just maintenance, that's when we would approach the Commission and ask for approval. The Brook's Street Project is a good example of that. We are coordinating that through our process. It changed the operation of the roadway and we are now at the point of looking at plans on that facility. We don't have an agreement in place yet because plans are not complete but we have an idea of what they are going to do and we're generally okay with what is going on.

The next step would be a formal set of design plans that meet our standards and requirements. That's part of the permission approval we ask for as well as the Chief Engineer's concurrence. That means we've run it through all of our technical staff. They've looked at the plans and they agree with what is going to happen on our roadway. We get Dwane's staff to sign off on all the improvements before we approve the set of plans and before we issue a permit. All that technical review is done behind the scenes.

There are some other things we do as well to protect the Agency. Many of these will probably require a formal agreement between us and the city because they are doing that project – roles and responsibilities of making improvements on that corridor, what the standards are, time frames, cost participation, future improvements. We require any future improvements to have a set aside a financial guarantee. In some instances we require a contractor's agreement so they will hire a contractor and the contractor would be working for them on our system. So if we roll up on a scene and the traffic control is a problem, we have some direct contractual authority to tell them to change what they are doing because it isn't working. We've required that in some instances.

Commissioner Howlett asked Dwane about issues we had with a Missoula Engineering firm a while back. There were conflicts between the City Engineer that hadn't done what MDT was requiring and that was a pretty lengthy conflict. I don't remember how it was resolved. Could you shed some light on how those things come to pass because Brook Street could pose the same issue? Dwane Kailey said

that was a federal aid project. We had established an agreement with the local government to go ahead and construct and administer on the department's behalf. We ran into some lack of documentation justifying the federal expenditures. Since that point in time we've created a LAG Manual (Local Agency Guide Manual) that we've adopted as an agency and it helps the local government go through that process to assure that we satisfy the federal requirements on a federal aid project. It was a very tense time – it was the Brooks South Russell project.

Jim Skinner said the point we have agreements in place, Commission approval, and an approved set of design plans, our review is pretty much done. The next step is the environmental check list. We have to do that with all our projects. All of the applicants have to fill out this document and answer all of the questions. If anything on that list is a "yes" that means it has to go to our Environmental Services Bureau. They have to review any of the issues or identify any of the issues they know about that the developer missed. Then they have to provide comments. If it's more than just comments then they have to provide a separate environmental document that addresses those issues before our Environmental Services will sign off and send it back to me. We can't issue that permit until we have that. This includes other agency permits as well. Some projects don't have any of those type of impacts but others do.

Once we have the environmental process done and all of our agreements in place, we have plans, we have an agreement about what's going to be done on the roadway, then we send it back to the District so they can handle the issue of the permits and place conditions on it. So we'll provide them a list of conditions that have evolved during the review process or we'll attach a set of plans and then the District will work with the requester to establish traffic control and an adopted Works on Safety Plan.

Once they have an approved traffic Control Plan through the District, the District will allow them to enter the right-of-way and begin constructing those improvements. The District provides oversight on the modification while they are under construction. Once everything is in place and the District has approved it, then they sign off.

That's the review process we go through. Each one is a little bit different dependent upon the nature of the roadway and the nature of the requested action. Obviously a subdivision is different than a pipeline or transmission line. That's the standard process we go through. The most common is a new residential subdivision or commercial subdivision. At that point we're out of it. We have the documents on hand. We have the agreements. We do performance bonds when needed. We make sure our right-of-way is restored and re-seeded. If it is not restored then we have our forces do that.

Lynn said the discussion came up because we have local entities working on our system. The discussion was whether we wanted all of them to come before the Commission or does the Commission want to delegate it to the Director.

Jim Skinner said we were struggling a little bit with these types of requests versus getting everything lined up and getting Commission approval in time for the development to move forward. There are a lot of steps to our process. We work with the same consultants over and over who have gotten to know the process very well. Sometimes they will approach the District with a complete package – they have a pretty good idea what we're going to expect so they have the environmental issues all documented, they'll have a trout analysis, etc. They've worked with me before and they know what we expect so they'll show up with a complete package. It might take us two or three weeks to go through it and tell them they've addressed everything we needed addressed. At that point there would be a couple of things outstanding – traffic control and district interaction. The thing that causes us some time is waiting for Commission approval for these things. For example, if we're half way through June and we get one of those packages in, we're going to have it reviewed and

approved by the end of July. If I make the request in mid-June for the end of July meeting, I've already missed the deadline to be on the Agenda so then I'd be pushed out to the following meeting to get on the Commission Agenda which would be September. The way the development project works is once they get the approval, they'll move as fast as they can. They usually have the money lined up, property in place, local government approvals in place, and they hope to get the work done in that construction season. If they have to wait until September then they've lost the season and have to wait until the next construction season to build. So our options are kind of limited in getting it turned around and providing them the response they want in the period of time to develop projects. That's the crux of the issue.

Commissioner Cobb said we could do this on our conference calls and not have to wait for a meeting. Couldn't we do that? Jim Skinner said they could do that but we were given direction that we didn't want to do Commission business during those phone calls other than awarding projects so we've been trying to wait for full meetings. Commissioner Griffith said they were technically in session during those conference calls. Commissioner Howlett said I like your policy now and if there is an emergency, we're available to do that. I like your thought process that you plan for that meeting to be ready.

Jim Skinner said I should address public involvement. Usually the public involvement for these projects has already taken place at the local level. Commissioner Howlett said I'm glad you mentioned that. I'm usually made aware of issues and controversies the day of the hearing and if I'd known about it earlier I would have been able to attend the meeting. Usually it's something that is controversial around Missoula or Kalispell. I would like to see some earlier notification from the District on when those kinds of meetings are going to happen rather than hearing about it on the news. As a Commissioner I'd like to be better informed.

Director Tooley said I want to make sure I understand what you want. Do you want these to come to you on by-weekly calls or do you want them to go into a report format. Commissioner Howlett said we're in agreement with Commissioner Griffith's observation that the process we use now is appropriate but when there is an emergency situation they can be brought forward in our Conference Calls. Use your discretion in that.

Appearance before the Senate Highways Transportation Committee

Commissioner Howlett asked why the Commission was appearing before the Senate Highways Transportation Committee. Director Tooley said Cher Aarnson has a very real interest in meeting with the Commission. We had a meet-and-greet type discussion with House Transportation. I introduced the Administrators who got to say something about their program but Senate Highways and Transportation is our standing Committee. They are the ones that confirm us. They have a deeper interest in understanding than House Transportation. I think the Chair realized it would be a good idea if you would come in and introduce yourselves. They would like to know your thoughts about the Commission and also the projects that are important to you within your Districts. That is why Lynn Zanto supplied the maps for you to refer to should they ask you questions. They just want to get to know you a little bit and know what you're about. I'll handle the departmental overview and answer specific questions they've sent to us. I think it's a positive thing. Commissioner Howlett asked if they were going to lobby for projects in their District. Director Tooley said they may ask you questions along those lines. Of course you already have the answer, there is a process to get you to that point. Commissioner Howlett asked how long they'd be there. Director Tooley said in 2013 they wanted a pretty in-depth presentation which ended up lasting about 25 minutes. In this case, less is more. I like to get to the point of allowing them to ask questions. So my presentation will be short to allow them to ask you questions.

Commissioner Howlett posed a legal question – we will have adjourned our meeting by then but we'll be together discussing highway business, so what can we do? Carol Grell-Morris said the idea behind being in session is you can vote and take action. If you avoid voting and taking action when you're at the Committee meeting then you'll be fine. Of course part of that is discussion of agenda items is a problem if you're not in a public setting. I don't anticipate that this meeting will cross those boundaries. First of all you'll be in a public setting and I don't expect specific discussion of agenda items that you'll be voting on will be part of this general information exchange. So you'll be fine in all aspects of that.

Legislature

Director Tooley said the Legislature keeps us pretty busy. Regarding our Department bills, we originally had 11 and nine of them got introduced and most of those have made it through the first House already. The Department's priority is CMCG or alternative contracting process. That might affect the types of work that come before you at some point. That is coming up for hearing next week in Senate Highways and Transportation. So I've asked Kevin to speak to you about that briefly.

Kevin Christensen said this is an alternative contracting method that fits in well with complicated projects that have a lot of constraints, a lot of stakeholders, and a high impact on the traveling public. We simply contract with the designer, we go through all our normal processes, i.e., public input, the environmental process, etc. It is not a method to get rapid delivery of a project. The idea is that we would contract with the designer, get going on the design to get to a point (30% is the rule of thumb) to where we know what we're looking at. At that point we would hire a contractor and they would work with the designer to identify any risks associated with construction and innovations, etc., to help us work through the process and hopefully mitigate those issues before the project goes to construction. The idea is that when it does go to construction, we'll have a much more efficient design, we'll have identified all of the risks and hopefully come up with some innovations so the construction process is compressed and has lower impact on the traveling public. That's it in a nutshell.

We've been working with the Montana Contractor's Association. We put a working group together last June. We've had several meetings to put together a framework that is acceptable to them. One of the controversial items is it's a qualifications based selection and once they're on board, we enter into a contract for Preconstruction Services. So they go through that process and when we get the design to a point where that contractor can put together a coherent price proposal, then we enter into negotiations with that contractor to build the job. We've come up with a method that's acceptable to the Montana Contractors. They gave it their full support at the House hearing and we expect them to be at the Senate hearing on Tuesday.

Commissioner Howlett said last night in the Governor's State Address he mentioned a bill that would require 75% of contracts in Montana to be let to Montana companies. I know we let a lot of contracts to out-of-state companies. How does that mesh with what we do and will we have to change? What's the federal impact? Director Tooley said that bill is the "Hire Montanans First" – a 75% of workers on state funded construction projects need to be Montanans. There are some exceptions to that. If you have a very complicated piece of machinery that only a guy from Utah can run then that person would be accepted. The goal is to hire more Montanans when you're spending Montana money. Federal Aid Highway Projects generally would not be a part of that process because of the complication and it is a federal issue. State funded construction would fall under that.

Commissioner Howlett said you have state money alongside the federal money in most of the projects. Director Tooley said the first federal dollar changes the game for that. Right now that is 50%. Commissioner Howlett said if it's 50% now then what

changes when it becomes 75%. Director Tooley said the Department of Labor would tell you nothing changes because they don't have the capacity to actually go out to the job sites and follow up. It's more of an aspirational goal.

Commissioner Cobb asked what role the Commission would have. Can you give us an example of a contract we're doing now that would make it easier to do? Dwane Kailey said this is just a different way to deliver the project but the Commission would still have to approve the project as you do now. Commissioner Cobb asked if they had a project in mind that this would help. Dwane Kailey said the jobs up in Whitefish – Whitefish West and Mountainside. Those are relatively short projects but very costly with a great deal of impact to the community with utilities and lots of constraints. There was a tremendous impact on the traveling public. That would have been a great one for the contractor to work with the designer to identify some efficiencies that could be gained and some innovations and some risk mitigation that maybe would have made that go smoother.

Kevin Christensen spoke about the Change Orders in the process. By having a contractor on board during the design phase, we would expect to see very little project cost growth and very low occurrence of Change Orders because the idea is to get those risks identified and mitigated ahead of time. Commissioner Griffith said 30% of Utah's DOT goes to CNGC. Kevin Christensen said we would probably use this about the same as we use Design Build. We've done around 15 Design Build projects in the last nine years. So we're not looking to shift and change the way we do business. This really does fit a very specific type of project. Commissioner Griffith said they use it specifically where you have a lot of interaction, i.e., in a business district where the contractor actually goes out and builds a relationship with the landowner so it takes the Department out of that. Kevin Christensen said I can give you a great example of that. Actually we went down to Utah and spent a week with them. They've got some huge projects down there. They are putting in a new stretch of Interstate going by 100+ houses. It was a \$900 million job. In one of the areas the contractor was looking for some dirt and he thought he might have to haul it a long way. There was a Frit-o-Lay factory with a large hillside behind it and the contractor was talking with the owner of the factor who wanted the hill removed for a parking lot. So he essentially got 400,000 yards of dirt for virtually nothing. It added a tremendous value to the project and they were able to build another section of the road ahead of schedule.

Director Tooley said they were excited about this. It died last session mainly because we hadn't established that relationship with the contracting community and they didn't know what we were up to. Now they know and they're on board. It allows the department to act more like a business which is what our public stakeholders would like to see more of. We'll keep you informed on that.

Other Legislation

Director Tooley said we had a Senate Bill that would have clarified your authority regarding memorial designation requests. That bill is in trouble mainly because we started on the Senate side and some of the Senators remember the hearings on Highway Patrol Trooper Memorial Highways and they want to remain involved in that. I think the confusion between that process and what we were trying to get clearly delineated for you has caused the Bill to be in trouble. Deputy Director Wise is working that one. We'll see if it re-emerges out of the Senate. It is not a super high priority. We have done business this way for a long time but we wanted to clarify the lines of authority and it turns out the Senate would like to hang on to that.

Other bills are now coming up and some actually attempt to reduce your authority to either approve contracts within the boundaries of a city limit on our routes or establish speed limits within the boundaries. We just see the short titles and you can't always see what the intent is. Then when the bill comes up and you read it, you

realize the direction of the Legislature. We are reacting to those when we find them. They come up pretty quick some times. We'll let you know what's going on with those. We actually believe in the authority of the Commission to establish speed zones and approve contracts. We're going to defend that.

Gas Tax

Commissioner Howlett asked about the Gas Tax bill that would put the tax to the local jurisdiction. That bill was heard yesterday. I appeared as an informational witness and explained how much it raised and I also pointed about a constitutional conflict in the funding of transit. I don't think that bill will go anywhere. The contractors and the truckers opposed it because it went to the wrong places and it wasn't enough. I don't think that bill will come out of Committee. It was a good place to start the discussions that we need to have.

So if the question comes up this afternoon – does an increase of state funding get us any more federal money? Director Tooley said it enhances our ability to match the federal program. Commissioner Howlett said if you get \$400 million and if we had another \$.05 gas tax, would that \$400 million be capped by our formula.

Commissioner Cobb said your fund balance is going to go to zero. So you run out of your tax money to match. My concern is that if someone asks me about it we want to make sure we don't go down to zero over the next two years. After we leave, we might get a whole bunch of new federal money but we won't have our state match money. My concern is the balance is going down to zero and we don't want to go negative because then we'd start putting project off. I think they ought to give us \$20-\$30 million in additional money to keep it from going down to zero. Then we'd have a pot of money to go get if we needed match money. Commissioner Howlett said for the first time in a long time it could be the Legislature is the hold-up for us to be able to use more money. Congress is finally starting to talk about spending money on infrastructure – both parties are agreeing that our infrastructure needs help.

Commissioner Cobb said if they gave us \$20 million that would be the match for \$200 million. If we get a bunch of new money and our match money is gone, then it becomes a big issue with what the Governor would do. I hate to see us borrowing money from somewhere else. Commissioner Howlett said the point I was making is that if you look at our Red Book that has all our projects on tap, but there are a bunch of projects that don't make the Red Book because we know they aren't going to get funded. So in addition to what's out there is an outstanding balance at the end of year five on Red Book. We probably have two or three times more projects waiting to get into the system to get funded but we don't have the money.

Commissioner Cobb said the Red Book a year from now is based on a budget but if the fund balance goes down then you have to start postponing projects. Director Tooley said staff is constantly looking at the balance and coming up with a contingency plan. Right now the money is supposed to run out around the end of May but that is right at the time we're starting to ramp up our construction season. They are already looking at a way to keep as much of the program going as we can until the Feds figure that out. We also look at the State balances and the way it effects our ability to match. Commissioner Howlett asked how we address Commissioner Cobb's concern. I agree there is finally some discussion about infrastructure. If money becomes available we have to be able to utilize it. Can we give you direction to present this to the Legislature? He asked Commissioner Cobb for his recommendation on how to address it.

Commissioner Cobb said my concern is that we're going to have to cut. If you're fund balance is declining then it's going to disappear pretty quickly. They do need to be aware of that. They need to be aware that we need some money in case we get a bunch of federal money. You can tell them all this but I'm not sure what they will do with it. At least if they are aware of it, then they have to step back and say we're

aware of it and make sure the ending fund balance is sufficient. We're saying we don't want to go to zero because existing projects will be put off. They need to be made aware of that. If we get extra money then we would have money set aside that everybody agrees to do. My concern is we're going to have a wreck here. Four years from now if we have a recession, there is no general fund to give to us when we need it.

Director Tooley said we're doing a couple of things. We're talking to the Legislative fiscal staff right now. They've identified the same issue you're talking about. Through that identification, we've had discussion with members of our own Subcommittee and also the Chair of Section D which also has some effect on the state gas tax revenue. We're pointing out the issue. They seem to only want to hold the Department accountable but there are other individual agencies involved too. Commissioner Cobb said Republican leadership will have to get involved sooner or later. The budget is already set and so they say no new money; that's how it always is. We're saying there is a wreck coming and we've told everybody there's a wreck coming so leadership has to step in and see what to do about this. They always tell the budget people "no new spending" but they have to have some contingency for us. The Republicans are really organized in passing the education bills and other bills, so they know what they're doing, we just have to get into it again and tell them to give us \$10-\$30 million somewhere. If they don't want to do anything, then that's fine and we just let it happen. I don't want to get the Governor in trouble if he says he will borrow money and get into a constitutional mess. At least everybody will know because we've told everybody there's a problem coming.

Commissioner Howlett said he was in agreement but the other thing that needs to be addressed is the Secondary Program. The Legislature funds all of it. If you take 56 counties divided by five Commissioners that is about 10 counties per District. If you take somebody that has a project and a need right now, it's like 20-30 years before that project gets into the system. That's just not good and it doesn't give counties much hope for getting those projects up and funded. In the beginning \$5 million was a lot of money but that was 30 years ago.

Director Tooley said they are aware of that. Yesterday the questions came up that we should probably take a look at this and have an interim group study the gas tax – where the money goes, where it comes from, who's in it and why, and what are we going to do about the issues your talking about. Commissioner Cobb said a lot of times we just have to wait for the wreck because it's hard to take money from somebody else. Commissioner Howlett said what would be wrong with saying if there is a balance in the general fund and you need money to match more federal entitlement, to give the authorization not to increase the money but to have the match available. Commissioner Cobb said they've done that before in other places where there is extra money where they just set some money aside. I just bring that up as an option because I've seen it done before. Commissioner Howlett said that takes the pressure off. Currently there is no bill to do anything with gas tax, right? Director Tooley said there is but it doesn't come to us. Commissioner Howlett said we have no other option. Commissioner Cobb said I think we just keep telling them there is a problem over and over and then hopefully you can talk to the leadership. If leadership begins to realize there's a problem, then maybe the Governor will also say there is a problem and it gets done. That's my solution – they'll figure it out. I think we just need to see that the leadership knows there's a problem. Director Tooley said we've made them very aware of the issues. We should have had this discussion two years ago but that didn't happen. Now we're having those discussion almost constantly. If that comes up, I'll touch on the state and federal funding this afternoon.

DBE Report

You have the newest DBE Report in front of you. It shows that we're ahead of goals for the federal fiscal year and improving. Thank you to Civil Rights staff for doing the extra work to make sure we have current and complete information. The DBE picture is better than ever.

Commissioner Cobb asked about DBE Certifications. Is that the total number of DBE firms – 101 firms? Patti McCubbins said that is correct. Then it says the current number certified in the federal fiscal year is three – is that three out of 101 that actually do the work? Patti McCubbins said no that is the number of new ones we certified in the new federal fiscal year which started October 1st. In that 101, we've certified three additional new DBE's. We've increased our recruitment efforts to try and eliminate the rumor that we had very few DBE's.

Next Commission Meeting

The next Conference Calls were scheduled for February 3rd, February 24th, March 10th, and March 24th. The next Commission Meeting was scheduled for March 26, 2015.

Adjourned

Meeting Adjourned

Commissioner Howlett, Chairman
Montana Transportation Commission

Mike Tooley, Director
Montana Department of Transportation

Lori K. Ryan, Secretary
Montana Transportation Commission