

Montana Transportation Commission

March 24, 2016 Meeting
Helena, Montana

IN ATTENDANCE

Rick Griffith, Transportation Commissioner, Chairman
Barb Skelton, Transportation Commissioner
Carol Lambert, Transportation Commissioner (Excused)
John Cobb, Transportation Commissioner
Dan Belcourt, Transportation Commissioner
Mike Tooley, Director MDT
Dwane Kailey, MDT Engineering
Lori Ryan, Commission Secretary
Dave Ohler, MDT
Carol Grell-Morris, MDT Legal
Lynn Zanto, MDT
Ryan Dahlke, MDT
Kevin McLaury, FHWA
Lloyd Rue, FHWA
Chris Riley, FHWA

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 Rick Griffith

Commissioner Griffith called the meeting to order with the Pledge of Allegiance. After the Pledge of Allegiance, Commissioner Griffith offered the invocation.

Approval of Minutes

The minutes for the Commission Meetings of January 28, 2016, February 2, 2016, February 22, 2016, and March 1, 2016 were presented for approval.

Commissioner Skelton moved to approve the minutes for the Commission Meetings of January 28, 2016, February 2, 2016, February 22, 2016, and March 1, 2016. Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 1: Local Construction Projects on State Highway System – Local Forces Beaverhead, Park, Sanders, Wibaux Counties, City of Great Falls and City of Kalispell

Lynn Zanto presented the Local Construction Projects on State Highway System – Local Forces, Beaverhead, Park, Sanders, Wibaux Counties, City of Great Falls and City of 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: Beaverhead County, Park County, Sanders County, Wibaux County, the City of Great Falls and the City of Kalispell are planning to design and build transportation improvement projects on the state highway system. The projects will be funded locally and will utilize local forces for construction. 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
Secondary 324 (S-324), near the Idaho border, in Beaverhead County	Bridge	\$175,000	2016	Local
East River Rd (S-540), north of Pray, in Park County	Resurfacing	Unknown	2016	Local
Blue Slide Rd (S-472), north of Thompson Falls, in Sanders County	Resurfacing	Unknown	2016	Local
Secondary 261 (S-261) in Wibaux County	Resurfacing	\$105,000	2016	Local
Carlyle Rd (S-413 / S-336) in Wibaux County	Resurfacing	\$84,000	2016	Local
6 th Street South (U-5209), from Central Ave to 3 rd Ave S, in Great Falls	Mill & Overlay	\$67,000	2016	Local
38th Street (U-5219), from 2nd Ave N to 6th Ave N, in Great Falls	Mill & Overlay	\$62,000	2016	Local
5 th Ave W (U-6721), from Idaho St to Washington St, in Kalispell	Reconstruction	\$33,244	2016	Local

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

Commissioner Cobb moved to approve the Local Construction Projects on State Highway System – Local Forces, Beaverhead, Park, Sanders, Wibaux Counties, City of Great Falls and City of Kalispell. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 2: Local Construction Projects on State Highway System – Contract Labor
City of Missoula – Various Locations**

Lynn Zanto presented the Local Construction Projects on State Highway System – Contract Labor, City of Missoula – Various Locations 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 Missoula is 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 Missoula to let and award contracts for the projects listed below.

Location	Type of Work	Cost (estimate)	Fiscal Year	Type of Labor
Higgins Ave (U-8117) from South Avenue to Pattee Canyon Drive	Sidewalk Replacement	\$60,000	2016	Contract
5th Street (U-8114) from Higgins Avenue to Orange Street	Sidewalk Replacement	\$130,000	2016	Contract
6th Street (U-8118) from Higgins Avenue to Orange Street	Sidewalk Replacement	\$130,000	2016	Contract
Mount Avenue (U-8116) from Eaton Street to Reserve Street	New Sidewalks	\$75,000	2016	Contract
Mount Avenue (U-8116) from Brooks Street to Russell Street	New Sidewalks	\$120,000	2016	Contract
Stephens Avenue (N-130) from 6 th Street to Mount Avenue	Sidewalk Replacement	\$50,000	2016	Contract
Ryman Street (U-8111) from Spruce Street to Pine Street	Sidewalk Replacement	\$200,000	2016	Contract
Spruce Street (U-8106) from Ryman Street to Woody Street	Sidewalk Replacement	\$120,000	2016	Contract
Van Buren Street (U-8115) from Lilac Street to Missoula Avenue	Reconstruction	\$230,000	2016	Contract

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

Commissioner Griffith asked Lynn what local labor meant. Lynn said local labor meant they use City Staff, Public Works. The local government will be doing the work.

Commissioner Skelton moved to approve the Local Construction Projects on State Highway System – Contract Labor, City of Missoula – Various Locations. Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item 3: Functional Classification/System Designation
Mission Creek Road (S-295) – Park County
Pine Creek Road – Park County**

Lynn Zanto presented Functional Classification/System Designation, Mission Creek Road (S-295) – Park County, Pine Creek Road to the Commission. The Transportation Commission gives concurrence on functional classification recommendations for public roadways at the state level with final approval by the

Federal Highway Administration (FHWA). Functional classification is a method of classifying roads by the service they provide as part of the overall highway system.

In May of 2015, MDT conducted a functional classification review of Pine Creek Road (in Park County) from US-89 to East River Road (S-540). The purpose of this review was to determine if the functionality of the roadway had changed due to increased traffic generated by land use changes (primarily residential developments) in the area. As a result of the review, MDT is now advancing the following functional class recommendation for this section of roadway: Major Collector.

With this change in functional class, MDT is recommending that Pine Creek Road now be placed on the Secondary Highway System. Additionally, MDT is proposing that Mission Creek Road (S-295), between the Mission Creek Interchange and Swingley Road, be removed from the Secondary Highway System. If approved, these actions would reduce Secondary system mileage by approximately five miles (all in Park County). The Park County Commission has taken formal action endorsing this exchange of Secondary route mileage.

Summary: MDT is requesting Transportation Commission approval of a functional classification revision – from Minor Collector to Major Collector - for Pine Creek Road (from US-89 to East River Road) in Park County. Additionally, staff is requesting that Pine Creek Road (from US-89 to East River Road) be added to the Secondary Highway System. Lastly, MDT is recommending that Mission Creek Road (S-295), between the Mission Creek Interchange and Swingley Road, be removed from the Secondary Highway System (in exchange for Pine Creek Road).

Staff recommends the Commission approve the following items:

1. Functional Classification Revision:

- a. Reclassify Pine Creek Road (L-34-203), between US-89 and East River Road, to a Major Collector. (2.4 miles)

This functional classification revision is subject to FHWA approval.

2. System Actions:

- a. Remove Mission Creek Road (S-295), between the Mission Creek Interchange (I-90) and Swingley Road, from the Secondary Highway System. (7.5 miles)
- b. Add Pine Creek Road (L-34-203), between US-89 and East River Road, to the Secondary Highway System. (2.4 miles)

These actions are subject to FHWA approval of the functional classification revision.

Mission Road was the county's secondary priority but they ran into major challenges with the road. Overall this is a much better deal with less miles on the system and a better condition road and the county will maintain maintenance jurisdiction until such time the road is improved which will be several years away.

Commissioner Griffith asked if it was unusual not to do a mile-for-mile exchange. Lynn Zanto said the underlying policy is if they add to the system, they have to remove at least an equivalent amount of mileage. In this case they are removing more miles. There is not a lot of secondary routes in Park County and with the Secondary System you want to have a logical connections and system continuity. This is the route they've identified to remove. Commissioner Griffith asked if this changed their priority as to when the project gets funded or do they go back into the

same slot. Lynn said they would just replace in the same slot they were in for Mission Creek. Commissioner Griffith asked when the project was due to be constructed. Lynn said it was several years out.

Commissioner Cobb moved to approve the Functional Classification/System Designation, Mission Creek Road (S-295) – Park County, Pine Creek Road – Park County. Commissioner Skelton seconded the motion.

The motion passed unanimously.

**Item No. 4: Construction Project on State Highway System
Montana 694 – Ousel Falls Road Signal**

Lynn Zanto presented the Construction Project on State Highway System, Montana 694 – Ousel Falls Road Signal to the Commission. The community of Big Sky is proposing to install a traffic signal at the intersection of Ousel Falls Road and MT-64 (X-81064) to address traffic generated by residential and commercial growth in the Big Sky area.

Big Sky has retained Sanderson Stewart to complete the signal design. MDT headquarters and Butte District staff have reviewed design recommendations and concur with the recommended improvements.

The community of Big Sky 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 community of Big Sky is proposing modifications to the state highway system to address traffic generated by residential and commercial growth in the Big Sky area. Specifically, Big Sky is requesting to install a traffic signal at the intersection of MT-64 and Ousel Falls Road.

MDT staff recommends that the Commission approve Big Sky's proposed improvements to MT-64, pending concurrence of MDT's Chief Engineer.

Commissioner Cobb said with the installation of a traffic signal, who determines the length of the stop and go. Who changes that in the future if big developments are put in? Who sets up the timing? Dwane Kailey said they work through Systems Impact. My staff will work with the developer and their engineer to make sure the timings are set appropriately based on traffic counts. Once that signal is installed and we inspect and approve it, then we own the signal. We go out every two to five years and look at the signals. If we get comments or complaints, we can go out and look at a specific signal sooner. We look at the traffic movements, the timing, and if we believe an adjustment needs to be made we will make that adjustment.

Commissioner Skelton moved to approve the Construction Project on State Highway System, Montana 64 – Ousel Falls Road Signal. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 5: Construction Project on State Highway System
US 191 – Gateway Village Turn Lanes**

Lynn Zanto presented the Construction Project on State Highway System, US 191 – Gateway Village Turn Lanes to the Commission. Gateway Village LLC is developing a subdivision with 190 residential and 4 commercial lots on the east side of US-191 (N-50), south of Gallatin Gateway. The developer will be adding several new

approaches and extending left-turn lanes on US-191 (between Rabel Lane and Cottonwood Road) to address traffic generated by the subdivision.

Gallatin County 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 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: Gateway Village LLC is proposing modifications to the National Highway System to address traffic generated by their new subdivision. Specifically, Gateway Village will be adding new approaches and extending left-turn lanes on US-191 (N-50) between Rabel Lane and Cottonwood Road.

MDT staff recommends that the Commission approve Gateway Village's proposed improvements to US-191, pending concurrence of MDT's Chief Engineer.

Commissioner Griffith asked if it was two lanes or four lanes. Lynn Zanto said it was two lanes in that section.

Commissioner Cobb moved to approve the Construction Project on State Highway System, US 191 – Gateway Village Turn Lanes. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 6: Construction Project on State Highway System US 93 – New Signalized Intersection (Kalispell)

Lynn Zanto presented the Construction Project on State Highway System, US 93 – New Signalized Intersection (Kalispell) to the Commission. Spring Prairie IV is a commercial development near the intersection of US-93 (N-5) and Reserve Loop in Kalispell. The developer for Spring Prairie IV is proposing to construct new approaches and a signalized intersection on US-93 to address traffic generated by the new development.

The City of Kalispell 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 Developer 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 Spring Prairie IV is proposing modifications to the National Highway System to address traffic generated by their commercial development. Specifically, the developer is proposing to construct new approaches and a signalized intersection on US-93 in Kalispell.

MDT staff recommends that the Commission approve the developer's proposed improvements to US-93, pending concurrence of MDT's Chief Engineer.

Commissioner Skelton asked how big the development will be. Jim Skinner said the development is a big commercial development so the parcels will be big. If you look at the map, from Four Mile Drive up to Reserve Drive is all being put into development. Reserve Loop North is already done and this is Reserve Loop South.

There are some drainage features in there so it can't all be developed but pretty much everything else around it will all be commercial.

Commissioner Skelton moves to approve the Construction Projects on State Highway System, US 93 – New Signalized Intersection (Kalispell). Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 7: Construction Project on State Highway System US 2 – Kalispell Rail Park

Lynn Zanto presented the Construction Project on State Highway System, US 2 – Kalispell Rail Park to the Commission. The City of Kalispell is proposing modifications to US-2 (N-1) to address traffic generated by a new rail park facility (funded via the TIGER grant program). Proposed improvements would include left-turn lanes and signalization at the intersection of US-2 and Flathead Drive / Woodland Park Drive (U-6729).

The City of Kalispell 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 City of Kalispell 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 City of Kalispell is proposing modifications to the National Highway System to address traffic generated by a new rail park facility (funded via the TIGER grant program). Specifically, Kalispell is requesting to add left-turn lanes and signalization at the intersection of US-2 and Flathead Drive / Woodland Park Drive (U-6729).

MDT staff recommends that the Commission approve the City of Kalispell's proposed improvements to US-2, pending concurrence of MDT's Chief Engineer.

Commissioner Griffith asked Lynn to explain a Rail Park. Lynn Zanto said if you look at the map where the railroad comes through, they are improving it to accommodate the different kinds of rail shipments coming into Kalispell to make it more functional. Commissioner Griffith asked if it was like an inland port. Lynn said yes.

Commissioner Skelton moved to approve the Construction Project on State Highway System, US 2 – Kalispell Rail Park. Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 8: Construction Project on State Highway System 10th Avenue South (Great Falls) – Sam's Club Retail Center

Lynn Zanto presented the Construction Project on State Highway System, 10th Avenue South (Great Falls) – Sam's Club Retail Center to the Commission. Walmart is developing a Sam's Club retail center on 10th Avenue South (N-60) in Great Falls. To address traffic generated by the new facility, the developer is proposing intersection improvements, approach modifications, turn lanes and signalization on 10th Avenue South (from 54th Street to 57th Street).

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.

Walmart 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: Walmart is proposing modifications to the National Highway System to address traffic generated by a Sam’s Club retail center in Great Falls. Specifically, Walmart is requesting intersection improvements, approach modifications, turn lanes and signalization on 10th Avenue South (N-60) from 54th Street to 57th Street.

MDT staff recommends that the Commission approve Walmart’s proposed improvements to 10th Avenue South in Great Falls, pending concurrence of MDT’s Chief Engineer.

Commissioner Skelton moved to approve the Construction Project on State Highway System, 10th Avenue South (Great Falls) – Sam’s Club Retail Center. Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

**Agenda Item No. 9: Missoula District Project
I-90 Ramps – Grant Creek Road (Missoula)**

Lynn Zanto presented the Missoula District Project, I-90 Ramps – Grant Creek Road (Missoula) 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 needs on I-90, the Missoula District is advancing a project to promote improved traffic flow on the northern portion of the Reserve Street Interchange in Missoula.

Specifically, the District is proposing to add lanes to Grant Creek Road to enhance access to the westbound I-90 on-ramp and improve traffic flow from Grant Creek Road to Reserve Street. The estimated total cost for all phases is \$658,000 – with the City of Missoula contributing \$200,000 and the remainder (\$458,000) being funded with Interstate Maintenance (IM) funds. An agreement has been signed with the locals (City of Missoula) outlining roles and responsibilities associated with the project.

Summary: The Missoula District is requesting approval to add an intersection improvement project to the highway program. The project will improve operations at the Reserve Street Interchange (in Missoula) by adding lanes to Grant Creek Road. The total estimated cost for this project is approximately \$658,000 to be funded as follows:

Interstate Maintenance	\$ 458,000
Local Funding	<u>\$ 200,000</u>
	\$ 658,000

The proposed project is consistent with the Missoula Long Range Transportation Plan and the Missoula Transportation Improvement Program. Additionally, the project is consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TRANPLAN-21. 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 Missoula District project to the program.

Commissioner Belcourt asked about the agreement with Missoula on non-discrimination and disability, page two talks about DBE goal as being reasonable. Do we require them to use DBE's and if so what do we consider reasonable? Dave Ohler said there are no DBE requirements for the project because there are no DBE requirements statewide so we don't require the locals to meet any DBE goal. We do monitor DBE participation. Commissioner Belcourt asked if they see much DBE participation with the local governments. Dave Ohler said I will have to ask Patty McCubbins about that and agreed to get back to Commissioner Belcourt with the answer. Lynn Zanto said MDT will be developing and letting this project, so it will go through our normal process and DBE will be a consideration.

Commissioner Griffith said that the Orange Street residents have been asking for a sound wall. What is the status of that? Dwane Kailey said he would have to check on that. The area with most of the noise issues is in the Rattlesnake area near Van Buren. We've studied it through the years but to date I'm not aware that we're able to do much in there. We are looking at the interchange itself for some improvements but I'm not aware we're going to build any kind of a noise wall. Commissioner Griffith said they approved money in Red Book for the interchange and I was hoping a sound barrier would be part of that project. He asked Dwane to check on it and let him know. Dwane Kailey said he would.

Commissioner Belcourt moved to approve the Missoula District Project, I-90 Ramps – Grant Creek Road (Missoula). Commissioner Cobb seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 10: Billings District Project 1st Avenue North – Billings

Lynn Zanto presented the Billings District Project, 1st Avenue North – Billings to the Commission. The National Highway System (NH) Program funds 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. In response to emerging operational and safety needs on the National Highway System, the Billings District is advancing a major rehabilitation project on 1st Avenue North (N-115) in Billings.

The intent of this project is to address poor pavement condition (rutting, cracking, etc.) and substandard curb, gutter and sidewalks on 1st Ave North (N-115) from Division Street to Exposition Drive. The estimated total cost for all phases is \$9,609,000 – with the entirety of the funding originating from the Billings District National Highway System (NH) program.

Summary: The Billings District is requesting approval of a major rehabilitation project on 1st Avenue North (from Division Street to Exposition Drive) in Billings. The total estimated cost is approximately \$9,609,000 to be funded through the Billings District NH program.

The proposed project is consistent with the Billings Long Range Transportation Plan and the Billings Transportation Improvement Program. Additionally, the project is consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TRANPLAN-21.

Specifically, roadway system performance, traveler safety and bike/pedestrian features 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 Skelton asked if a bike path was included in the project. Lynn said no. There will be sidewalks, gutters, and possibly a shoulder.

Commissioner Skelton moved to approve the Billings District Project, 1st Avenue North – Billings. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 11: Transportation Alternatives (TA) Projects Addition of New Projects (12) to the TA Program

Lynn Zanto presented the Transportation Alternatives (TA) Projects, Addition of New Projects (12) to the TA Program to the Commission. The Transportation Alternatives (TA) Program provides assistance to local governments, tribal entities, transit providers, resource agencies and/or school districts for community improvements deemed eligible to receive TA funding. MDT solicits proposals (from eligible entities) for construction projects, ranks each proposal, and then advances the highest priorities (without exceeding available TA funding).

Federal guidance mandates that MDT select TA projects via a competitive process. Further, federal guidance states that metropolitan planning organizations (MPO's) and state agencies (such as MDT) are not eligible to submit applications for TA projects.

The most recent round of project evaluations is now complete and 12 new proposals have been selected for advancement as Transportation Alternatives projects. These projects are shown on Attachment A. If approved, it would be MDT's intention to let these projects individually.

Summary: MDT has completed the selection process for new Transportation Alternatives (TA) projects and is requesting that the Commission approve the addition of 12 new projects (listed on Attachment A) to the TA program. The estimated total cost for these projects is \$4,858,000 – with the entirety of the funding originating from the Transportation Alternatives (TA) Program.

The projects are consistent with the goals and objectives identified in the Performance Programming Process (P3) as well as the policy direction established in TRANPLAN-21. Specifically, traveler safety and bike/pedestrian features will be enhanced with the addition of these projects to the program.

Staff recommends that the Commission approve the addition of these Transportation Alternatives (TA) projects to the program.

Commissioner Griffith said there was a coordination problem between the CTEP project and the TA project, were you able to help them with that? Lynn Zanto said yes we've found a solution to move the CTEP project forward. Commissioner Belcourt asked how many proposals there were in total. Ryan Dahlke said there were 42 applications but four of them were unresponsive because they didn't include all the required criteria. So there were 38 responsive applications provided of which we selected 12. Commissioner Cobb asked about bike/ped vs. sidewalks – what is the

difference. Lynn Zanto said bike/ped facilities are a separated path and sidewalks are not. Ryan Dahlke said generally speaking the bike facilities are separated paths. They may be immediately adjacent to the shoulder and they are separate from a sidewalk. Pedestrian facilities are generally curb ramps.

Ryan Dahlke showed some graphs to the Commission. This is a population distribution – by federal law we are required to allocate 25% of the TA funding to population centers greater than 5,000; 25% less than 5,000; and the remaining 50% can go to either one. That is the only federal law we have to comply with as far as distribution. You can see we are about a 50/50 split between the population centers. Then MDT has committed to all the local agencies that we will do our best to strive for geographical distribution as well as urban/rural distribution to try and give everybody a fair shot. As luck would have it, last round and this round, the highest applications met all those criteria. We distributed pretty well across the state. This chart is urban/rural distribution and you can see the majority if rural. This chart shows the distribution of each district. It's a little different than last year in that Butte and Missoula received a little bigger piece of the pie last round. This round Glendive and Great Falls got a little bigger piece of the pie. Between the two application cycles we have a really good distribution statewide.

Commissioner Cobb moved to approve the Transportation Alternatives (TA) Projects, Addition of New Projects (12) to the TA Program. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Elected Officials/Public Comment

No public comment was given.

Agenda Item No. 12: Speed Limit Recommendation X25024 – Main Street, East Helena

Dwane Kailey presented the Speed Limit Recommendation, X25024 – Main Street, East Helena to the Commission. This was requested by the City of East Helena to look at the 25/35/45 mph speed limits on Kalispell Avenue, east of the city limits. Part of this study was actually within Lewis and Clark County. We looked at the accidents as well as the traveling speeds and based on our review we are recommending the following:

A 35 mph speed limit beginning at straight-line station 236+50 (100' east of the Kalispell Avenue Crosswalk), and continuing east to station 245+50, an approximate distance of 900 feet.

A 45 mph speed limit beginning at straight-line station 245+50 (50' east of Oak Avenue), and continuing east to the intersection with US 12, an approximate distance of 3,000 feet.

We do have concurrence from the City of East Helena. We do not have comments from Lewis and Clark County, however, we're not making any changes within the county. With that we present this for your review and approval.

Commissioner Cobb said he noticed the majority of citations issued were seat belt violations. He wondered if they had an officer sitting there watching people because it's pretty unusual to get that many seat belt violations. Director Tooley said they can't be stopped for seat belt violations so probably what has happened is there someone there in step over-time working the stop sign. They'll warn them for the stop sign and then catch them for the seat belt violation.

Commissioner Griffith asked if they'd received the documents for the two speed studies in Butte. Dwane Kailey said they received them. They will be presented to the Commission at the next main meeting since the deadline for this meeting was missed. Commissioner Griffith said they actually sent the documents to him two months ago but he thought they were copies not the originals. They should have been sent to Dwane.

Commissioner Cobb moved to approve the Speed Limit Recommendation, X25024 – Main Street, East Helena. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 13: Certificates of Completion December, 2015 & January, 2016

Dwane Kailey presented the Certificates of Completion for December, 2015 & January, 2016 to the Commission. They are presented for your review and approval. If you have any questions, please feel free to ask.

Commissioner Skelton moved to approve the Certificates of Completion for December, 2015 & January, 2016. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 14: Project Change Orders December, 2015 & January, 2016

Dwane Kailey presented the Project Change Orders for December, 2015 & January, 2016 to the Commission. They are presented for your review and approval. If you have any questions, please feel free to ask.

Commissioner Cobb asked about the January Change Orders for the Missoula District. He asked the meaning of the phrase "Add contract time for additional work added to on the previous change order that could not be finalized until permit activities were completed." Dwane said I'm not aware of the specifics but it appears we issued the change order but did not assess or add any time in that change order. However, in negotiations with the contractor we did agree, after the fact, that additional time was warranted. Commissioner Cobb asked if the actual change was zero dollars or \$1.3 million. Dwane Kailey said the actual change is zero dollars for that change order. The \$1.3 million is changes to the contract in total outside of this change order.

Commissioner Cobb said on the next page in the Butte District there is a change order for \$149,000 to increase the traffic control to the quality required to complete the work. The park reconstruction grading is \$972,000 is for something else. Dwane Kailey said that is correct.

Commissioner Cobb moved to approve the Project Change Orders for December, 2015 & January, 2016. Commissioner Skelton seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 15: Liquidated Damages

Dwane Kailey presented the Liquidated Damages to the Commission. We have three contracts for your review.

1. Knife River for 1st Ave W & 1st Ave E - Kalispell. They are six days over the contract time. The LD rate was \$1,532.00 for a total assessment of \$9,192.00. They are not disputing this change.
2. Riverside Contracting for 5th Street N&S - Great Falls. They are one day over. The LD rate is \$1,167.00 for a total assessment of \$1,167.00. They are not disputing this charge.
3. Wickens Construction Inc. on SF 099 Reconstruct N of Laurel. They are four days over time. The LD rate is \$1,993.00 for an assessment of \$7,972.00. They are not disputing these charges.

The Commission need do nothing and the LD stands as is.

Liquidated Damages STAND

Agenda Item No. 16: Letting Lists – Approve the Addition of Madison Street Bridge

Dwane Kailey presented the Letting Lists for the months of March 10th through September and Approve the Addition of Madison Street Bridge to the Commission. This is presented for your review and approval. I mentioned in a Commissioner Conference Call that two projects have been removed from the letting list. Those projects are Idaho Line East and Thompson River East – both on Highway 200. Those projects have been removed to accommodate for Madison Street Bridge. The Madison Street Bridge does not show up on the letting list because it is going through Design Build. Our plan is to present that to the Commission at your May meeting for award. We currently have the RFP out for selection of consultants and contractors.

Commissioner Cobb noted that on the website he was not able to get to the Madison Street Bridge. Dwane Kailey said he would check into it and make sure the link is working. Once he confirmed the link was working, he would send it to him.

Commissioner Griffith recommended Design Builds be put on the front page of the letting list. Dwane Kailey said Madison Street is a little bit unique because the Commission had approved the project through the TCP process. Madison Bridge was actually beyond the program so it wasn't approve through the Red Book process. That's why I'm being particular on this project to make sure it gets approved. Commissioner Griffith asked for more information on Madison Street Bridge.

Commissioner Cobb asked when projects are taken off, how do the projects get back on the list? Dwane Kailey said every year as we approach the end of the year, projects fall out due to issues such as right-of-way. These two projects will be added to the bottom of the list and as the end of the year approaches, we identify what projects are going to be brought in to spend additional funding. They come back to the Commission through the letting list so the projects can be approved. Right now we have not made that decision. If they don't get brought back in then you will see them at your October TCP meeting and we will put them back into the TCP.

Commissioner Griffith said we haven't added this project to the TCP so shouldn't there be a formal item that adds it to the TCP rather than the letting list. Dwane Kailey said my thinking is that by adding them through the letting list, you are seeing

it. Lynn Zanto said you have the statutory authority to add projects to the program and to let contracts. The TCP is our scheduling tool for projects that are in the program. When we go through the TCP week, you concur on where the lettings will come before you. So adding it to the letting schedule makes sense. Design Builds are a little different because when you add them to the program is actually when we bring you the Design Build package. So we've got it on this letting list and then the next meeting Dwane will present the recommendation for the Design Build. I think you will be meeting the intent of your authority. Commissioner Griffith said I feel a separate authority needs to be granted. Commissioner Belcourt the bridge is crumbling and is currently walled off. Dwane Kailey said the sidewalk is closed and that is the reason we're accelerating project delivery. To be clear, you did approve Madison Street through the normal process. It was approved as a project. The only thing we're changing is we're moving the priority up. Commissioner Griffith said as long as we've approved it then I'm fine with it.

Commissioner Cobb moved to approve the Letting Lists and Approve the Addition of Madison Street Bridge. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 17: Directors Discussion & Follow-up

Director Tooley said we have a lot to talk about today. Mainly the discussion will center on finances and safety. You may have seen in the newspapers lately that the department is making some additional spending reductions in order to preserve state funds. The way the story came out it looked like MDT was broke and we were over budget. MDT is not broke and we're not over budget. The issue is that the state fund continues to see unprecedented pressures. So the department, in order to maintain not only the maintenance and also the federal aid program, has undertaken some steps to make sure that state funds are preserved so that we can do our jobs. Originally when we left the Legislative Session, we intended to manage the program to \$10 million positive working capital. As that number dropped from \$50 million to closer to \$10 million, it became apparent that number was artificially low. Ten million doesn't work, it needs to be closer to \$40 million. That's why the department has made some additional spending reductions. I've invited Larry Flynn, Chief Financial Officer for the MDT to give a more in-depth and better explanation of what exactly is going on with the state fund. I think it's important that you understand what is going on since this is the engine that drives everything else.

Following that we'll talk about safety. The Commission previously asked questions about what we're doing about safety and why you don't see safety ads. We'll have a presentation on that and that will help you understand what we're doing and why.

MDT Funding, Larry Flynn, Chief Financial Officer for MDT

I will give you a quick rundown of how MDT is funded and why the State Special Revenue Fund is of such concern to us. MDT has a lot of funding sources but primarily 60% of our funding comes from the federal government. The work you do on this Commission helps us prioritize those dollars and put them to work. About 36% of our funding comes from state sources, largely the Gas Tax, Diesel Tax, and CDW Revenues. Those dollars are used to match the Federal Aid Program as well as perform state-funded maintenance and other activities throughout MDT to administer the highways program and other programs as well. Four percent of our funding is in proprietary funds which are business-like entities that are managed by the department.

The primary state funding source for MDT is the Highway State Special Revenue Fund (HSSRA). There are a lot of users of that fund. Almost half of the revenue coming into that fund is from the Gas Tax and another quarter of the revenue is from the Diesel Tax. Both of those tax rates have been in place since mid-1994 which was the last revenue increase we've seen in terms of gas tax rates. About 10% of our funding comes from GVW permitting and fines. Fifteen percent (15%) from the indirect cost recoveries. That's a bill that's been in the Legislature since Senator Cobb was involved some 15 years ago. It is a law that requires us to bill other entities, largely the federal government for their share of our indirect costs. Indirect costs are the administrator costs that are necessary to run the department – facilities, management, salaries. We bill them directly and 10% of the Federal Air Program goes to cover those costs. We have some other miscellaneous revenue that comes from the sale of land, some minor interest earnings on our investments, and some others as well.

MDT is not the only user of those funds. About three quarters of the Gas Tax and the other revenue sources are available to others. There is a statutory appropriation of over \$16 million that gets distributed to local governments, cities, and counties for their roadwork done in the local communities. Department of Justice, mainly the Highway Patrol and the Motor Vehicle Division, are also funded out of this fund. There are some other small allowances like agricultural refunds for off-road use. The Petroleum Distributors, since we tax at the distributor level, there is a one percent allowance that they keep. They collect \$.27 of tax and they keep one percent of that for their administrative costs. So when all the other off-road uses and the like are taken out, MDT gets about 78% of the funding. That has changed over the years. It used to be a little bit more than 80% but as other entities have grown MDT gets a little bit smaller slice of that pie as the years go on. All told, the projected state fiscal year expenditures from this fund are just a little bit more than \$300 million and MDT accounts for about 78% of that.

Director Tooley mentioned the level of working capital used to manage MDT's cash. Working capital is cash and other equivalents. So short-term assets, net of short-term liabilities. So any money we expect to receive into the department, within 60 days is booked as a short-term receivable and that adds to our working capital. Any monies that are owed within 60 days come out of that working capital.

How do we know that \$40 million is the right number? If you look at our total agency budget, between state and federal funds, it's about \$800 million per year. If we assume we need to fund 20 days of operations, keep in mind even the federal funds are a reimbursement, but we still have to cash flow them out of the state fund first until we get reimbursed. So we like to think that 20 days is about the amount of cash we need to have on hand. So take \$800 million divided by the 20 days and you get \$40 million in working capital which is what we try to keep on hand.

To illustrate, I pulled one month of our cash flow to show you the reason we need \$40 million working capital. This is cash (showing slide), again cash is one component of working capital but this is a pretty good illustration. We have money coming in and going out of MDT all through the month but there's some pretty key instances. The first dot you see and the dot way down at the bottom represents our payroll. We pay our employees every two weeks and that is a pretty big hit twice a month. The other big expense we have every year in August is when we have a lot of contractor payments going out the door on the construction side. That very large drop in the middle of the month is where we pay our contractor payments. They get paid once a month around the 15th.

In terms of revenue we bill the feds every week. The green dot represents when we billed the federal government in August. You can see where we get a little bit of a spike in our cash balance when we do that. Note that the green dot right after contractor payments doesn't get you back up to where we were because we're only

billing for roughly 87% of those contractor payments. The 13% state match is taken out of this fund as well.

The big issue that drives the need for a \$40 million working capital is when we collect our Fuel Tax. Again three quarters of the revenue coming into this fund are collected through gas and diesel taxes and they get paid by the distributors by law at the end of the month. That revenue is collected in arrears. To give you an example, this is the cash flow for August. The fuel taxes that are paid by the distributors to us at the end of August represent their gasoline distributions for the month of July. They are selling gas all the way through July but that activity is reported to the department and paid at the end of the following month. So really the red dot where we see those fuel taxes come in represents fuel sales all the way back to the first of July and we're nearly in September by the time we see those dollars come in.

As you can see, even with a \$40 million working capital balance, throughout the month we still see negative cash. There are some safeguards in the state law that allow for that. If we were to truly cash flow this and never expect to see negative cash at any point in time during the month, we would need roughly an \$80-\$90 million working capital balance. We know there's going to be times when the gap between contractor payments and the federal reimbursement puts us in negative cash but state laws allows for some limited negative cash so we don't have to have that \$90 million sitting in the bank all the time. There are some safeguards in place.

That's the nuts and bolts of why we need \$40 million of working capital. The question on the table is what's been going on? Why did we end up in the press with the idea that we're broke? Director Tooley said it well, we're not broke but the line is heading in the wrong direction and we felt we needed to step in and change that.

Obviously when we look at revenue one of the big pressure points and one of the big dynamics that play for the state fund and the federal fund as well is traffic volume versus fuel economy. Traffic volume continues to rise in the state of Montana and we have a lot of cars out on the road but those cars will give you substantially better fuel economy than previously. So even though miles are going up, the actual taxable gallons are starting to level off and we're starting to see fewer taxable gallons. In fact for the month of February we were down a couple of percent from last year in terms of taxable gas gallons and for taxable diesel gallons for the month were down nine percent. Overall our revenues are about even for the year compared to last year but that's starting to show some signs of wear and tear on the fund when you balance that with the expenditure side.

The Motor Fuel Tax has been the same since 1994. To give you a perspective, we are currently matching about a \$400-\$450 million Federal Aid Program and back in 1994 it was about \$100 million. We've seen tremendous inflation on materials and other costs associated with maintenance. If you look at what the tax basis was in 1994 compared to what you're paying for today, we've done well. We've done well with 22 years of good management within MDT and making sure that we keep this thing afloat. One of the big pressure points that we're seeing is the slowdown in Eastern Montana with the Bakken. That is impacting us both in terms of diesel sales as well as GVW revenues. We're not seeing the permitting activity we once were and a large portion of that is what's going on in Eastern Montana. On the expenditure side of the equation, we've got 22 years of inflation since the last tax increase and we've done well managing our way through that quarter of a century.

One of the other pressure points on the state side is the appropriated commitments. I mentioned the Department of Justice – we fund the Highway Patrol as well as the Motor Vehicle Division almost entirely. The revenue generated from those activities goes into the General Fund but the expenditure side is paid for from the Highway State Special Revenue Fund. Other states agencies bill us for some of their programs. The Department of Administration bills us for the insurance premiums and IT

services that are provided. Those get budgeted for us in the form of fixed costs and those are on the rise. Those costs have doubled from about \$10 million for a biennium to \$20 million in the last ten years. That's great on the budget side because they give us the budget to spend but we have to come up with the cash to do so.

Obviously the impacts of the matching side of the Federal Aid Program are huge. I mentioned that 20 years ago it was a \$100 million program and we're now matching a \$400 million program. Along with the good work that those dollars do comes the outgoing maintenance costs for expanding roadways and building new rest areas. They are all great services but those come with the costs on the state side to maintain those going forward. Our maintenance on rest areas is somewhere around \$1.5 million per year out of state funds. Modifications - obviously as we modify projects especially where we add state-funded activities onto projects, that's a huge impact to the State Fund as well.

So where are we? This graph charts the working capital balance per state fiscal year. Starting back in June 2012 we had about \$71 million working capital. In the last couple of years we've been dropping. The last completed state fiscal year was fiscal year 2015 which ended June 30th of last year, we were still above that \$40 million threshold at \$42.58 million. If you follow the dotted line (referring to graph) that's where our projections take us if we don't intervene. That's based on our revenue projections and some moderate growth in budgeted activity in the fund. We're budgeted through fiscal year 2017 right now. We've already taken some steps to reduce those expenditures. Director Tooley mentioned the \$10 million working capital. When we came out of the session and took a look at our revenue projections and our budget, we knew we needed to do something. We also knew that in order to maintain a \$40 million working capital it would take substantial reductions to core services. That's something we're trying hard not to do. So we looked at it and said let's set our budget and try to get to at least \$10 million working capital knowing that would mean we would be in negative cash for a lot of the year and we'd have to manage our way through. Things are looking good throughout the year and we decided that we would wait until spring since winter maintenance is a huge expenditure, i.e., if we have a light winter that helps us but if we get a bad one then that hurts us. We also wanted to give revenues a little bit of a chance to see what they would do with lower gas prices. We were hoping to see a bit of a spike in the revenue. We did for short time and then it flattened right out and in fact it's dropped a little bit. So we did a lot of soul searching and decided that \$10 million isn't a practical approach and decided we needed to do some additional cost reductions.

If you look at the dotted green line near the top (referring to graph) that reflects what we are planning to do in terms of expenditure reductions. That equates to the fact that we are looking for another \$5 million in reductions for fiscal year 2016 and another \$15 million reduction for fiscal year 2017. That gets us through the biennium with about \$30 million working capital but still far below where we want to be but way more manageable than \$10 million working capital. Looking at the next biennium, in order for us to get to \$40 million working capital means that we would have to submit a budget proposal that reduces our costs by \$25 million per year in the next biennium. That's the work the department is doing and will continue to do. I don't have any specifics to share at this point because we're just starting that very, very difficult conversation. Trying to minimize the impact on the roadway, we're starting with our internal costs first and looking at where we can save money inside these walls long before we ever look at what we might need to do on the roadway to save costs. That's what I have to share with you today.

Commissioner Griffith said it was a concern to read the article in the Kalispell paper that said we're broke. It was of additional concern that there is the impression we're broke and the Commission didn't know we had a problem. You did good job presenting the issues. There were some clichés you filled in the blanks with and I'd

appreciate if you'd follow up with some kind of report on Fuel Tax. You said the fuel tax recovery is going down and diesel fuel is down. I was under the assumption that when fuel prices are down, people travel more and therefore we might be collecting more. Apparently that is not the case. If there is a report you can give us based on our collections, what they're trending to be, not just the special revenue. How did we pick \$40 million, 20 days versus 30 days?

Larry Flynn said we do have reports available. To put the revenue decline in perspective for the year, we look at taxable gallons as our key indicator. If you look at taxable gallons, both diesel and gas, gas is still up for the year but most of that was early in the year. When the prices first dropped we saw a big spike in revenue. In the last several months we've started to see that growth shrink and now we're actually starting to see some drops in monthly revenue. For the year we're still up about 2.5% in gas but diesel is down about 4.5-5%. Obviously we sell more gas than we do diesel. The net impact of those two dynamics, gas being up about 2.5% and diesel being down about 5%, it's about a wash for revenue. So revenue would be flat. What happens with respect to the drop in price, since we tax at the distributor level we don't tax each retail station and we don't tax obviously individual drivers, if there is a sudden dramatic drop like you saw last summer, the retail stations will buy a lot of fuel so the distributors are selling a lot of fuel at that point in time but there is only so much capacity for storage, so once it is maxed out, the best they can do is to kind of keep topping it off every month. So we don't see a sustained level of growth in revenues. We flatten off fairly quickly because of that dynamic. We see there is some increase in travel obviously but there is not a huge dramatic behavioral change because of a drop in price.

The opposite effect does kind of bite us. If we go back to 2007 when we saw the huge price spike in gas and got up to \$4.18 a gallon, up until that point in history price was kind of a non-factor. Montanans like to drive their cars; we don't have a lot of other options so we saw very little variation in the amount of mileage and gallons. But all of a sudden \$4.00 per gallon seemed to be the magic button and all of sudden people were changing long-term behaviors. They were buying more fuel efficient cars, scaling back on trips or making significant behavioral changes. We did see a price influence drop in revenue at that point in time. We really haven't seen a big swing based on price since then.

Now ironically when we start to anticipate that there will be a big climb in gas price, we will see another short-term spike in revenue. Again very short term because people want to buy low. Those retail stations will try to max out again if they anticipate the price is going to start to rise and we'll see a little bit of a bump. Again the timing of that, since they already have maxed out their storage when the price dropped, that spike may not be as dramatic as we'd like to see.

Your second question about the level working capital and why 20 days – if you look at the timing of the major expenditures in the department, the two being payrolls and contractor payments, usually by the 20th of the month is when you get through those windows where you have the heavy expenditures. We pay contractor payments roughly on the 15th and maybe as late as the 20th. Payrolls are every two weeks so normally we'll see that second payroll hit around that same time. So we use that 20-day window to get through those major expenditures to gage how much working capital we should have on hand. That has worked pretty well for us for a number of years now.

Commissioner Griffith said if it's worked well for a number of years, why did we end up here? Larry Flynn said it's not a matter of whether or not the \$40 million is the appropriate level, it's a matter of the inflationary pressures on the fund when delivering the same level of service that we have for all these years is at a higher cost. So it's more difficult to maintain that \$40 million worth of working capital. We did look at the idea that we could work with a lower working capital balance so we

wouldn't have to cut into those core services. Commissioner Griffith said you had to notice the trend in 2014. Larry Flynn said we did. If you look back in time as early as the mid-90's, every year this fund has been over-appropriated to the point that we'll enter a biennium at \$40 million of working capital, but with the legislative appropriations that we and other entities receive will trend that balance down.

Now let talk about how we budget in MDT. We budget winter maintenance very high. We over budget for winter maintenance because we want to have the resources available if we should have a major event and a major sustained winter. We also budget assuming every project that the Commission plans on will be delivered exactly as it was in the Red Book with no delays for environmental concerns or design or right-of-way acquisition or weather; we plan on delivering the full maintenance program and the full construction program. We budget for a heavy winter then get a fairly mild winter or a medium winter. Sometimes we do get the heavy winter and it drives the cash balance down but we don't get one every year. The department has been very good about not spending money when they don't need to. If we don't need to spend maintenance resources to plow snow, we don't spend that. Likewise if we have excess contractor payments budgeted but projects are pushed out, we don't spend those dollars; we keep them in the chaffers. For 22 years we've been able to maintain the balance that way. What's happened in the last few years as you see that trend moving down is we can't reverse course to the degree we used to. Those maintenance costs for a normal winter now are more expensive. The cost of sanding materials have doubled in the last five to ten years. So we have had our eye on this ball; we've had our eye on this ball tremendously each and every day. It was just a matter of what point in time do we have to cut into core issues to do this and at what point in time can we manage this internally. Those are the discussion we're having with the administrative staff now.

Commissioner Griffith said my concern is what will we do if we get grab bag, if we get Tiger Grant, if we get stimulus? Where are we at then to be able to use that? I don't want to turn back any federal money period. Larry Flynn said that is a very good point. We do project that we will continue to receive grab bag. One thing that helped us a few years back is the stimulus money because the ARRA money we received came with zero dollars of state match so we saw this delay of the normal highway program as we delivered ARRA. We had a lot money in the bank but we still eventually had to get back to where we were matching that program. Those issues help us short term but it doesn't get us off the hook entirely. One of the top priorities, if not thee top priority, is to match every federal dollar that we can. That's why you see us concerned about this as well and trying the reverse course. The priorities have been very clear: number one is the people we have employed today will continue to be employed. We may not be hiring additional people and we're on a hiring freeze now to help with this situation. Our top priority is to see that nobody goes home involuntarily. Our second priority is to continue to match every state and federal dollar that we can. Obviously maintenance is of equal importance to us. We have to make sure the roads are plowed. That's a very high priority and it's one that will become a key policy decision for the Legislature. We can't continue to do business this way and I think we need to engage in a dialogue.

Commissioner Griffith said I think there is more to the equation. I think there's a point at reduced service where truly what happens is you take money out of Schwartz's budget to keep the program going and they have maintenance issues too and we lose their ability. Truly as I drive through the state, we've had the absolute best maintenance of any state I drive in; absolute bar none but I can see that going down significantly because where else do you have to take it from? Larry Flynn said that's right and along with that is in order for us to maintain our favorable match there is a certain level of state-funded maintenance activities we have to perform. We're diving into that calculation in great detail to make sure we don't cut the maintenance program to the degree that now we're not matching at 87% federal, it's an 80% federal rate. We're making sure we maintain that maintenance of effort level.

You're right, one of the first places we make up the biggest bang is to cut state-funded construction. That's not something we desire to do. That is likely the end game here if we don't get some additional help.

Commissioner Cobb asked if the working capital balance was the same as ending fund balance to the Legislature. Larry Flynn said yes. Commissioner Cobb said I'm concerned about "no good deed goes unpunished" in the sense that if you're going to fix the problem then why would the Legislature fix it? When you put your budget out this fall, you like to have it balanced, so you say here is the options for Legislature. You have to say to the Legislature, "here's the options, pick something. If it's the Department of Justice then take your money or at least freeze it and say this is all you get from now on. So now you're doing everything good, so why would the Legislature fix your problem? You say well it deteriorates slowly. It's not like when we had the work comp issues or state funding. When we let it all fall apart that's when you usually get a whole bunch of money but that's not who you people are, you're going to do what's right. I think now the Budget Director has to get involved. This way you have to talk to Katherine Duncan so you know whether or not she agrees. I know she had some questions and also the Committees need to know. The leadership of both parties has to know what the problem is too because they're not going to fix it when they see \$40 million. They'll say "hey I'm not fixing it until its bad because I have other issues to deal with." You're doing good things but you'll get punished for doing good things. Every time you do your cutting budget cuts, they need to know that is not just wasted money sitting out there. They need to see it over and over again so they know what's going to happen, not to scare them but give them good management practice. You'll never get down to \$29 million short because you don't have the money anyway. Again the Budget Director has to commit to what you want to do and Katherine Duncan too because the Legislature is going to keep asking her from her independent view point whether or not you're correct. I'm just giving you some ideas. I think now the Budget Director has to get involved. If you're fixing the problem then he doesn't have to fix it.

Larry Flynn said that's exactly right and we've been engaged in a pretty heart felt dialogue with the Budget Director since last session. Even last session we knew the appropriated budget was not practical; we knew we would have to come in and do some adjustments. The Committee was aware of it and the Committee gave us the direction – we're going to appropriate it but you guys have to manage the cash. If you look at where we're showing a trend up, we are doing exactly what you're suggesting. This EPP won't be, "take our base budget and go home and manage the cash." This EPP will be, "here is the pain we would have to feel collectively in order to balance this budget." Commissioner Cobb said be specific on pain. Not to go out and get some town because it's easy to say we have to cut back on maintenance. Say these are the areas we're cutting back so they know exactly. If it affects my area, then it affects me. If it's general then it doesn't. But again if you're solving the problem, you can get by another year. You need to be specific even with the things you're cutting back – those Committees need to know, Katherine needs to know, the public needs to know what you're cutting back now. I'm just concerned that while you're doing good, you're going to get punished for doing good. I keep seeing \$40 million, it's really hard for people on the Committee to say "well they're fine for another year and I'd rather send money to K-12."

Commissioner Griffith asked to go back to the pie chart. Back to Commissioner Cobb's conversation about being punished for doing a good job. About 20% of the budget comes from other departments, do you manage all of those in the \$40 million we're talking about? Larry Flynn said yes, the combined fund funds all of those – the \$42 million that we ended with last year and the \$44 million we're trying to get through is for all of those activities combined. Unfortunately MDT is just the holder of the cash. For instance the Department of Justice gets an appropriated budget from the Legislature but they don't really manage the cash; we have to manage the cash so if there are changes that need to be made, we can enter into a dialogue with

them, which we have. We've asked them to look at their budgets as well but at the end of the day, we are the end game and we have to clean up the dust at the end. One other additional pressure on Department of Justice is that they have both State Special Revenue and General Fund appropriations. There is a state law that requires them to use all their State Special Funds before they use their General Fund. So even if they were to scale back, they would have to scale back to the degree where all that General Fund goes away first and then they can start cutting into the State Special Fund in terms of budget reductions. Commissioner Griffith said then they don't want to cut this side? Larry Flynn said that's correct. If you look historically, Department of Justice spends almost every dollar of their State Special Revenue appropriation. I'm not saying they're at fault because that's the way the law reads so they end up spending most of their budget and then we come in at the end and have to shore it up. Commissioner Griffith said that gets back to Commissioner Cobb's point of "no good deed goes unpunished." You're making up for 20% in addition to what you're doing for the department, you're dealing with the whole 100% budget and you're having to take another 20% out of the department's budget to cover all those pieces of the pie. I don't know what the answer is. I'm sure the Director and the Governor have to reconcile this – well maybe not, maybe the Legislature has to do it. Director Tooley said we are but we're not doing it quietly anymore, we're making this an issue. Commissioner Griffith said that has to be an issue on the table.

Commissioner Cobb said I was there years ago when we took the money from the Department of Justice because they were broke. MDT had a huge funding balance so we moved it over and funded the Highway Patrol. Once they got the money they were happy with it. It was a big fight. Justice was broke and so we took MDT's money because they were doing a good job. We were short and were going to raise taxes. Now they like it. The other ones are fixed amounts – local governments just get a flat amount. If the Department of Justice has pension problems with Highway Patrol, they can keep taking from MDT funds. The Legislature has to fix that somehow. Commissioner Griffith said by doing a good job, you're fixing somebody else's problem to our detriment. It was alright when we were cash flush but that's not the case now. They need to be aware of that.

Larry Flynn said this isn't the first time we've been in this situation. We have been very innovative in the way we've managed, not just department activities but the financials. For example, when we saw the big spike in gas prices and revenue started to decline, we ended fiscal year 2007 with about a \$24 million working capital balance. What that meant in practical terms is the actual cash in the bank ... remember \$24 million is working capital ... \$200,000 is what we have in the actual bank account in the Highway State Revenue Fund so we had to become very innovative on how we dealt with that.

I'll give you one very big example that helped us. If you go back a couple of years with the statutory requirement to collect indirect costs from the federal government, at the time it was about a \$30 million revenue stream for us. The concern at the time was you only have so many federal dollars and now we're going to take the first \$30 million of that to pay for indirect costs. That represents money that's not going out on the road anymore. So a policy decision was made, with the Commission and the Legislature and MDT management, that we would take those \$30 million and put those dollars back out on the road in terms of construction. So rather than having a \$300 million federal program with the state match, you have a \$270 million federal program and an additional \$30 million state program, so you're still putting the same number of dollars out on the road. The very first thing we had to do when we recognized the down trend is we couldn't continue to deliver that level of program so we stopped investing that additional \$30 million. So there was money off the road then. Now we're in the same boat now but we don't have that rabbit to pull out of the hat anymore; that ship has sailed. It was a one-time thing. We did some other innovative things in terms of indirect costs and how we applied them to the bond proceeds on Hwy 93. That inflationary pressure has finally caught up to us where

we're not generating the natural savings and we don't have major policy decisions in the \$30 or \$40 million caliber that can help us out. We saw the trend line and the iceberg in the window, but it's more difficult to steer around now and we're going to need some more help to do it.

Commissioner Cobb asked when you're short \$40 million on a given day, where do you get the money. Larry Flynn said there is one State Special Revenue Fund, that's all the taxes other than the General Fund that come into the State Special Revenue Fund. The Highway's Account is an account within that fund. MDT has probably 20 different State Special Revenue Funds. So long as our total cash in the State Special Revenue Fund is positive then we're fine. That can run negative for seven days before the fund really shuts down. That has never happened. Commissioner Cobb said if that's never happened, why are you cutting? Larry Flint said because it will happen. Commissioner Cobb asked if he had a date for that. You are showing \$40 million but you really don't have \$40 because you're taking the money over here somewhere else, then you can still get by at \$10 million. Larry Flint said this is the question and prompted the panic button a couple of months ago when we realized \$10 million is too light. You see this cash balance jumping all over the board. To some degree we can predict when the large revenue and expenditures will hit but at any given point in time that cash balance could be below zero or above zero. Predicting where that's going to be on any given day is a problem. For instance, the cash just in this account was negative for 13 days about a month ago. Our total State Fund was positive through that entire time but as you get closer and closer to zero, the likelihood that you're going to be negative for that extended period of time increases. So it's difficult to predict how many days but we are managing the risk because if we don't reverse it, it could get to that point. Commissioner Cobb said by telling everybody this you're saying we're good managers and if you don't do anything to help us, this thing is going to crash and we did everything we could.

Commissioner Belcourt said basically you get a line of credit until the money comes in. We've had years of CR's and reauthorization issues, how has all that impacted all this? Larry Flynn said that is a good point and it's not easy, obviously with any short-term resolution ... the one benefit is that we manage the federal program and the cash flow of those activities don't happen for some time. For instance, if you're approving a project today, the cash outlay on that project doesn't occur for maybe a year or two and sometimes three or four. We try to predict that, we try to look at the Red Book, and we try to cash flow out each of those projects so we can kind of predict what's going to happen on the state side but obviously that plan changes daily. We try to keep on top of it.

Commissioner Belcourt said this issue has a lot more to it than the presentation. I can only imagine how pervasive the effect will be. In terms of our goals and our responsibilities, maybe the Director will talk about public safety and the impact to that. That's the bottom line, what impact on public safety will this have? In terms of departments, P3 analysis and everything else we do, just how pervasive is this? Larry Flynn said that's obviously first and foremost on our minds. I can't give you an answer; I don't really have a good answer for that. Obviously when we're trying to deal with a zero program, this is a major, major, major impact to being able to do that. It's not just getting the federal dollars out there to do the infrastructure improvements but it's also on the maintenance side of patching the potholes and plowing the snow and those types of things. Those all work in direct opposition to the vision of the department in terms of safety.

Commissioner Griffith said I think what Commissioner Belcourt is asking is that we're thankful you came and presented this issue before the Commission but I don't think it's a one-time thing. I think we ought to hear from you almost every meeting from now on. If there's anything special that you need from the Commissioner, just ask. We're concerned. I couldn't be more concerned. The Director and I sat down two months ago and talked about this exact subject. He was convinced that we were

fine. For us to see it in the newspaper, I was pretty disappointed. Larry Flynn said the newspaper article was a lot more drastic than it is but certainly it is drastic enough that we need a constant focus on this and we have that now. Commissioner Griffith said I see a trend over a two and a half-year period and I just think at some point in time a flag ought to have come to the Commission and said here's the trend.

Commissioner Belcourt said when we do the Red Book this fall, you're balancing it and we have to say these projects are going to be cut in order to do that. Then you're not going to do certain projects. I'm just trying to figure out how you do this. If we got the Department of Justice money, then we could do these projects. If we don't get this money then we're not doing these projects. The Legislature is very clear, we're not doing a bunch of things period if we don't get this money. Here's what we're going to do and this is what we would have done if we had the existing money we should have had. If they know just exactly what you're not going to do anymore, that affects them personally. Commissioner Griffith said plus what you're taking out of maintenance and what you're taking out of payroll or whatever else to get to that point – they have to be able to see it. While we don't have any control over payroll and maintenance, our constituents are going to ask why you're getting all the money and why aren't they getting their roads fixed. It's a vicious cycle. So we ought to know it and I think it helps build your case for the Legislature by you knowing it.

Larry Flynn said absolutely. Matching the federal program is one the top priorities that we have. It gets back to what Commissioner Cobb said earlier, we don't want to scare them. So if we come in and say we're taking the whole thing out of maintenance that means we're going to shut down roads during a storm. We have to be very careful about that message because the practicality is that we're going to do everything we can. Likewise we can't say we're going to take the whole things out of maintenance ... a \$27 million cut to state match would be devastating; it would be half the federal program which means its \$200 million that you're really cutting. Those are conversations we're having – where to balance, where that money has to come from if there's not some assistance somewhere else. We need to frame it for the Legislature to see what it would take for us to balance this on our backs. Commissioner Cobb said they'll say you're good managers, the people at the top like the Director and the Governor and other political people will decide how they want to frame it. In the past, we've just let things wreck and that's how you get money but that's not how we should be doing it. They're not going to do it that way. The people at the top can do what they want, they can say they are taking \$200 million out of theirs but that is their decision. You're not going to do that at this level.

Commissioner Griffith said the point is we need to keep a dialogue going between the Commission and your office about what's going on with it. Larry Flynn said they would plan on giving you and update at each meeting.

Director Tooley said they've spent quite a bit of time on this issue and I think now you can see how a five minute conversation with a reporter that isn't as familiar as you are with the Highway Construction Program could maybe get this wrong. I appreciate Larry explaining this to all of us. We have been and will continue to work with this and we'll do a better job of keeping you involved so you don't see another newspaper article. Commissioner Griffith said it wasn't the article as much as what was in the article that concerned us.

Highway Traffic Safety Program, Audrey Allums

Director Tooley said I'd like to introduce Audrey Allums, the Grants Bureau Chief. She oversees a lot of other things besides grants including the Highway Traffic Safety functions of the Department. I've asked her to come here today because the Commission expressed interest in not only the safety ads but the entire Highway Safety Program and what our plans are. All that knowledge resides with Audrey so I'll let her make the presentation.

Thank you for giving me this opportunity to give you an overview of the Highway Traffic Safety Program. This is going to be an overview not a detailed or in-depth presentation. Please feel free to ask questions.

All of our Highway Traffic Safety projects fall under the umbrella of our Vision Zero for zero deaths and zero serious injuries and Montana's Comprehensive Highway Safety Plan. The Comprehensive Highway Safety Plan actually has three emphasis areas: Occupant Protection, Impaired Driving Crashes, and Roadway and Intersection Crashes. There are three Emphasis Area Teams that get together every six weeks to two months to discuss all three of these areas.

As you know, we are shooting for Vision Zero. No death on our roadways is acceptable but we have to do that in a measured fashion. As you can see from this preliminary data, we are on track to meet our interim goal of 852 serious injuries and fatalities on Montana roadways by 2030. When we look at trying to put together our campaigns for Highway Traffic Safety we want to see how we can integrate the Vision Zero message to a targeted group of people. Quite frankly several years ago we had a lot more money for Highway Traffic Safety. It came from the National Highway Traffic Safety Administration. Our funding through that federal source has been reduced so we needed to make some very clear decisions on specifically targeting groups that are the most at risk for fatalities and serious injuries. Across the nation and in Montana that turns out to be the 18-34 year old male. So most of our information and our PR is directed toward that age group and that gender. We've been working to determine what motivates change for them. We use the media that has the most impact and we want to link their behavior with the consequences from their risky behavior.

To do that we have a couple of different ways we do research and studies to make sure that our messages are going to be effective with that group. We contract with a public relations firm called Partners Creative out of Missoula, MT. They have put together what they call Team Zero. This is a group of college and young adults across Montana that actually share their information with a focus group to see what kind of information is going to resonate with that age group. What we found is that if we use social networks we want to share funny and inspirational content. In traditional media we use graphic and consequence-related content. We also do public surveys. If you go to the Department of Motor Vehicles in September you may be approached by someone with a clipboard asking about our message – if you've seen them, if you've heard them and what you feel about them. We also follow national market research to find out what males are watching, what they're listening to, and what TV stations they watch. If you watch the History Channel, which has a lot of male-oriented programming, you're going to see our commercials. You'll also see them on TBS.

About two years ago we started back with some of the graphic depiction of crashes and consequences for our larger media. You may have seen these billboards across the State. We want people to pay attention and see the actual consequences of their actions. This actual graphic (showing slide) did cause a little bit of concern and we had a couple of people who said they didn't want people seeing that out on the roadways. We said that is the reality of it and that's why it's out there.

Recently we started the Road Departure Campaign. This is another billboard that you've seen in Montana (showing slide). Billboards are expensive and we can only afford so many. We try to purchase billboard space in places that have the most vehicle miles traveled and the most impressions upon them.

We also do commercials. Again we target certain TV stations so on other stations you are probably not going to see our commercials during Jeopardy. You will see it on Ice Road Truckers. Just a couple of examples of what we use – this one is for the

impaired driver (showing commercial). This is a depiction of a gentleman who went out drinking with his friends, he was the driver and one of his friends actually died in this accident and he ended up in jail. This one is our seat belt commercials (showing commercial). Those are the types of commercials you will see. TV is expensive so you only see these types of commercial a couple of times a year. The National Highway Traffic Safety Administration asks us to participate on Memorial Day Weekend and two weekends around Memorial Day about the use of seatbelts. In September around Labor Day weekend and the two weekends around Labor Day on the subject of impaired driving. So during those times you'll see a lot of commercials on a national level as well as a local level.

We are also working with more social media. We use Facebook, TV on demand, YouTube, and Radio. We pay for radio online streaming through Pandora on Spotify. We have video also for cable TV, Hulu, and Fuel TV. Fuel TV, if you have not noticed, we are in 30 different gas stations across the state that have monitors above the gas pumps and we're showing those commercials on Fuel TV. We also do very interesting things that is very cost effective called Geo Fencing. What Geo Fencing does is if you are at a specific event, it can actually target an area like a Rodeo or a local County Fair. These ads will pop up on mobile devices in those areas at that time. They can click through to find out more and see what it's about. It's a Geo Fence and it will only play in specific areas at specific times.

Through social media we try to get other people to spread the word because we can't do it on our own. We know that having your friends, your family, someone you work with, people using social media is your best way to share information. In some cases, we find the best way to do that is through humor (showing commercial). We have several of these myth crushers. They are very popular with the high school age kids. We share them with all the Driver's Ed program and Driver's Ed teachers use them throughout their time. Those have been real popular and a different way to reach our audience.

As I said in the beginning, many years ago under SAFETEA-LU we had some penalty money that gave us a lot of money to reach out to people and now we don't have as much so we do a much more targeted program. This is where we have been spending our funding. As you can see a billboard is \$88,000; they are expensive. We know from our market research, the billboards we've placed across the state supposedly have 400,000 impressions per week because we put them in highly traveled areas. Radio is \$68,000. TV is \$79,000. On-line and social media is about \$48,000. Our accounts management, through Partners, is only \$11,000 and we feel like we've got quite a deal working with them. Of course we also do special events and other things throughout the year.

The other thing you may have heard on your own radio station is something we call earned media. Those are Sheriffs, Law Enforcement officers, Montana Highway Patrolmen on the radio saying we're going to be out patrolling. Those are ads we've worked with them to place on the radio. We also pay for some placement ads. So we try to get as much as we can, not only things we pay for but some media that is free. We pay for about half of those spots and the other half the radio stations kick in.

We check during our surveys to see what's been effective. We have a targeted Facebook survey. We do the intercept surveys at the Department of Motor Vehicles. Our Vision Zero Team did 422 interviews to find out what's been the most effective that people remember. TV, radio, billboards, the news story coverage that you may have seen just last week, are very memorable.

Under that umbrella of the Comprehensive Safety Plan, occupant protection, impaired driving, and roadway departure, intersection crashes, we plan to continue our media efforts. We want to have a consistent message that includes Vision Zero and make sure people understand that Vision Zero is really important not only to the

Montana Department of Transportation but to everybody. We will continue to mix the messages but we've found that one kind of message doesn't work. You have to have a consequence message, you have to have social norming, you need some grim reality, and you need humor and education. So those are the four different ways we are approaching our public relations and our media messaging. I'd be happy to answer any questions you may have. If you have any input or thoughts on what you'd like to see us do, we'd also appreciate that input too.

Commissioner Griffith said he asked Director Tooley to have a presentation today on safety. I'm watching the signs on the highway every day and almost every day there is one death and over the weekend there were three or four deaths. When it was at 28, we'd had 13 last year. Yesterday it reached 36 deaths. Our death toll last year spiked through the roof over the previous year. I can explain it. Ten of them were in Billings and 11 in Glendive. I can't explain why it's happening but the one thing I can explain is that Director Tooley said 68% of them aren't wearing seat belts. We've lost the battle with that and somehow we need to get that battle back. Those are all great ads but \$100,000 won't cover my market in Butte let alone the State. So somehow we're losing the battle badly. As a Commission we're building \$300 million of infrastructure every year to go out and kill our people that use it. Somehow we've got to partake in raising the level of awareness. We're telling people 36 people died. I wish it was one of those bright lights flashing in your face that we don't allow on the road. I think it truly is something that we need to not let get away and take part in something on the Commission's part that shows we understand and we want to help. I don't know what we can do but I can't sit here and watch that happened every week. On Tuesday when we had our Conference Call I asked the Commission to think about ways we can help. I do take some credit for it and I took a lot of heat for it but in Butte and Bozeman, two specific areas, we were the highest crash corridor in the state. Knowing that I asked the Commission to reduce the speed limit in that corridor and they did and it has reduced the number of accidents. Huffine Lane in Bozeman had the same thing. They had a 70 mph speed limit on Huffine Lane from Bozeman to Four Corners. We reduced that to 55 mph and it's made an impact. Somehow we're missing something. The seatbelt thing, I really get that. Somehow we're not conveying that message.

Commissioner Skelton said she had a couple of people call me. We have that weigh station between Laurel and Billings and they say there are accidents there because those truckers just pull out. It's 80 mph there and it's narrow and most people go around like crazy in there. We've had a couple of accidents in there but no deaths. People are asking if we can have it reduced to 65 mph through there. That is one of our bad issues. I talked to the Sheriff in Billings and he's with us; he's just baffled. There's a lot of road rage out there. Commissioner Griffith said he was seeing that too. Mike and I had the discussion last week that while the speed that people drive has only gone up on average maybe a couple of miles per hour since we put in the 80 mph speed limit. The passion of the people who are in the passing lane has gone up to the point that they are empowered to be in that lane. I try to drive close to the speed limit but I try to drive comfortable but I went from being in the left lane all the time to now I'm the guy getting passed all the time. The people seem to think they are entitled to drive 80 mph or 80+. I woke up two weeks ago in Belgrade with two accidents right on the Interstate and I had to drive through the accident scenes to get home. I'm baffled about it and I want to do something and I think this Commission ought to do something. I'm not sure what that is. Surely PR is one thing the Commission can help with. I would be glad if we put something together to go back to my editor and say "this is unacceptable". I'll get an editorial in the paper. I think we need to think about what all we can do to help. This is scary; this is absolutely scary.

Commissioner Cobb asked if they were getting enough information from the officers. Are there any additional questions you want to ask them to find out about the accidents? You have all these different types of accidents going on out there. Is

there any information that might help you more? Secondly, do they ever go back to the people who were injured and ask why they were doing what they were doing? Was there anything that could have prevented it? You have those risk takers who do anything they want but they end up killing other people besides themselves. Do you ever go back to those people and ask why they did it? Audrey Allums said there is a whole bunch of different law enforcement forms that are filled out. The preliminary accident report is something we get immediately and it contains most of the information about the crash. Director Tooley, from his past, can tell you all the information that's on it. We have something called FAR System which is the fatality analysis reporting system. That collects lots of data, the toxicology, all of the reporting, the crash report. We look at those so I think we're getting enough information. Now the stories of the people who were in the crash, we've actually used some of those on our website – people who wished they would have had their seatbelt on or did have their seatbelt on and it saved their life. There is a different reason for every different person. The one I hear the most when I'm out with people is seatbelts are dangerous or I want to be thrown from the car or I know someone who was hurt by their seatbelt. Trying to dispel those myths is very difficult. Commissioner Cobb said if they don't have a seatbelt on, make them get out of the car and walk home. If they drive 100 mph in an 80 mph speed limit, impound the car right then and there. If you were impounding cars for not wearing seatbelts and you have to walk home, the word would get out pretty quickly. That would send a needed message but that's hard to do. I'm not sure if you'd need a law for that or if law enforcement could just do it. Director Tooley said you can't do that. Audrey Allums said we would really like to have parents say to their kids, "if I ever catch you without a seatbelt or if I ever see you without your seatbelt on, then your car is being taken away." Commissioner Cobb said his child took one of the classes at school and they said it into them every day – wear your seatbelt, put your seatbelt on. Now she's an avid seatbelt user and am I.

Commissioner Griffith said I really liked the message of the kid going out and saying "I'm going to go out and kill my best friend today." I think that's important. My only problem with that ... here we are talking budgets and depletion of budgets, but I'm saying that message has got to get out. I truly think there's something we can do and I'm not going to let it go. If you'll give me some discretion, the Director and I could sit down and write something out that we all can take back and send a letter to the editor. It has to be dramatic and graphic. I love what you're doing. Everything hits home, the comedy and the message, but we're losing the battle here.

Commissioner Belcourt said it's like the meth initiative that showed pretty graphic pictures of folks who were using meth. That strikes home to a lot of us. I see the commercials but the target audience is males 18-36, a lot of that could be alcohol related. That's a high risk population. Of course colleges play into that. You work with a lot of folks, the Department of Revenue, Liquor Licensing, you work with the bartenders... Audrey Allums said Alecia Skates runs that project at DOR and we are very tight. She is part of our Impaired Driving Emphasis Area Strategy Team and they are really doing an amazing job reaching all of those bartenders. It's an industry where there's a lot of turnover and they've been doing a great job. We partner quite closely with them.

Commissioner Skelton asked if there was any data on who is not using the seatbelts since the seatbelt deaths have gone up. Is it the young kids? Who's not buckling up? Audrey said it is the 18-34 males who are being thrown out of trucks. There are some outliers on that. It is males, truck drivers, higher risk takers who are not wearing their seatbelts and they are also driving impaired. Everybody should be wearing their seatbelts. I read every single crash and they're being ejected; these males are just being ejected out of their vehicles one after another. It's frightening and it haunts me. Commissioner Belcourt said it's the same year after year. All this technology is not helping either. I watched one of my friends my age going down the

road looking at who texted him and scared the heck out of me. His daughter kept telling him to not do it. I don't know what you do with those people.

Commissioner Griffith said we used to get everything from the Highway Patrol that you're getting. Audrey said the Patrol has changed their process. Commissioner Griffith said we used to get it after the fact and now it is more current. We get the current fatality rate but it doesn't have the supporting data. The only thing I remember about the supporting data is that it included everything, whether texting or eating a sandwich going down the road, but they put it all under one category "distracted driving" rather than texting or using a cell phone. You can't get the data separately because it's all under one. Director Tooley said that is true. There are standards for crash reporting. Dwane's data is much better than the Patrol's data. I'll get to why that is in a minute. The National Standard is the Model Minimum Uniform Crash Criteria (MMUCC). I sat on the panel that helped pick what those were. So I know what goes into that discussion and at the end of the day there is a push and pull between Engineers who want everything right down to the color of the car and the kind of paint. To collect all that data would have been a 50-page crash report. In real life you've got a 25-year old kid who wants to be out fighting out real crime having to fill out this report. You're going to get what he or she decides you're going to get. So what you have is a happy medium where you can get somebody to fill this out with reasonable accuracy. So you don't get every data point that maybe you would like to analyze. The reports you get from the Patrol, the high level ones are written on a program that was created in 1983. It hasn't kept up with any kind of technology so those weekly data reports are really not good – all they are is numbers. They're just as good as our white board out here. If you want real data, it comes from Dwane's safety shop with the Safety Management System which is a nationally recognized leader as far as getting that data and generating a report. It can answer almost any question that the officer on the roadside answered. If you want specifics, that is a good place to go.

What do we do with this mess? How do we approach people? We convened a group of leadership statewide from all levels of state and local governments last week including Public Health, Revenue, my peers and people that can direct resources to where the issues are. I truly feel that not only is this a public safety issue, but it's a public health issue. Director Opper agrees and he actually gave me an ah ha moment when he said "if you want to know who these people are that are dying and why, you really have to go back pretty much into their childhood." So if you're going to make a difference in behavior, it starts young. At our age, we're set in our ways. If you want to make long-term change, you deal with the children. If people are dying now, it might even go clear back to childhood trauma. What's your profile of whose dying? We don't have that information. We might propose a research project that will help us get to that. If you can get the profile of who is actually dying and where they came from in life, then you can design interventions that might fix that not only then but now. Clearly we're not communicating with whose dying. It's been the same story since we began collecting data in the mid-30s. Single vehicle roadway departure, occupant ejected, occupant killed – that's the next story. Probably not a head-on although those happen but that's what's killing our folks and why are they allowing that to happen. So we need to figure out what's in their head and how to get in there and change that behavior.

Commissioner Griffith said by the next meeting I want the Commission to understand this. We should send the press a notice that we're going to talk about this and invite them to come. Not just the presentation we had but who's dying, what they're dying from. I hope that sometime before then the Director and I can sit down and write something up that we can do as an impassioned Commission. At a minimum the issue that Barb brought up about the speed problem at the weigh station, can we do a speed study on that? Dwane Kailey said they were conducting a fair number of speed studies on the Interstate, not just in conjunction with the 80 mph speed limit but also beyond that, for example the Belgrade/Bozeman area as

well. We're very aware of the issues out there and well take a look at the scale site and everything from Laurel into Billings. Commissioner Griffith said between the Commission and the Director's office, let's vow that we'll do everything we can to try to make an impact. At a minimum, at our next meeting we're going to do a presentation on why people are dying and if they want to come, we'll invite them to come.

Director Tooley said he appreciated that and the idea on the local op ed's from the Commissioners is good. Commissioner Griffith said I will do that in Bozeman. Commissioner Skelton asked if the department would put some op ed's together for us. Director Tooley said they would. Commissioner Skelton asked if some of them could be geared to rural Montana areas. Director Tooley said we can talk about how to do that. Commissioner Skelton said she had a good writer but needed some data. Director Tooley said they would get that to her. Audrey Allums said every year we do a data summary and bring all the local state grass roots and all levels of people passionate about highway safety together in an annual meeting and we go through the data. That is on our website and I sent Lori the link so you can get the flavor of what it looks like.

Commissioner Belcourt said we have a number of safety belt programs funded by BIA. Audrey said the tribes are included and participate in our annual meeting so it isn't just MDT staff sitting here trying to figure what strategies to use, it is state agencies, local agencies, enforcement, education, courts and a whole variety of people. Director Tooley said the Commission is welcome to come to any of those meetings. That meeting happens in October. Commissioner Griffith said this is a big issue and an important issue to us. We've got to do whatever we can to try and change the culture of what's going on in the driving world. I'm in agreement that it's passed on from generation to generation. My daughter who used to stand on the seat next to me as I was going down the road is an emphatic seatbelt user now and I am too but I wasn't when I was younger. Another thought is you never see anybody in an airplane not wear a seatbelt. There is a reason for that and it's called survivability. You watch the pilot buckle up and say "I wear a seatbelt because I want to live." I appreciate everything everybody is doing. I know years back we had more funds to apply towards the PR message but absent the funds we still need to do something. Commissioner Belcourt said we have all those different categories within all those accidents, I think that young males are always going to be a problem no matter what happens. Commissioner Griffith said that's exactly right but if you have two people in the car – the thing about "I'm going to kill my friend today" or the other person in the car saying "pull over, I'm not going to ride with you if you're not going to follow the law." There are things we can do.

US Highway 89 Roadway Dedication – Ivan Doig Memorial Highway

Director Tooley said we have a letter from the Dupuyer Community Club requesting a portion of Highway 89 be dedicated to Ivan Doig who passed away this past year. They wanted to dedicate that stretch of Hwy 89 from Hwy 44 north of Dupuyer to the entrance of Hwy 219 south of Dupuyer. Should the Commission chose to take this action, you've got the letter as well as a number of signatures. If there are any signs put up they will be within the MDT guidelines for signage. Commissioner Griffith asked if this was a recommendation. Director Tooley said he would recommend that considering the historical significance of this individual and the request of a very small community that the Commission accept their request.

Commissioner Skelton moved to approve the Ivan Doig Memorial Highway at the request of the Dupuyer Community Club. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Pedestrian Overpass in Kalispell

Director Tooley said we talked about a project on an urban route in Kalispell with a bus shelter. You may remember Missoula caused some consternation with a pedestrian overpass project. This is not quite the same level of project but they will be submitting a similar request for an urban route in Kalispell at the next meeting. It is not US 93, it's off a block and they have similar pedestrian overpasses in Kalispell on the urban routes. We didn't design those to be removable structures or to accommodate oversized loads because they are generally on a city street.

Next Commission Meeting

The next Commission Conference Calls were scheduled for April 5, 2016, April 19, 2016, May 13, 2016, and May 24, 2016. The next Commission Meeting was scheduled for May 26, 2016.

Adjourned

Meeting Adjourned

Commissioner Griffith, Chairman
Montana Transportation Commission

Mike Tooley, Director
Montana Department of Transportation

Lori K. Ryan, Secretary
Montana Transportation Commission