Montana Transportation Commission

October 24, 2018 Meeting
Commission Room
2701 Prospect Avenue
Helena, Montana

IN ATTENDANCE

Barb Skelton, Transportation Commission Chair
Greg Jergeson, Transportation Commissioner
Carol Lambert, Transportation Commissioner
Dan Belcourt, Transportation Commissioner (phone)
Mike Tooley, Director, MDT
Pat Wise, Deputy Director MDT
Lori Ryan, Commission Secretary
Dwane Kailey, MDT Engineering
Dustin Rouse, MDT
Val Wilson, MDT
Lynn Zanto, MDT
Lisa Hurley, MDT
Kevin McLaury, FHWA
Adrienne Greenberg, Socrata

OPENING – Commissioner Barb Skelton

Commissioner Skelton called the meeting to order with the Pledge of Allegiance.

Agenda Item 1: Tentative Construction Plan (TCP) Wrap-up

Lynn Zanto presented the Tentative Construction Plan (TCP) to the Commission. Our recommendation is that Commission concurs with the TCP.

Commissioner Jergeson moved to concur with the TCP as presented. Commissioner Lambert seconded the motion. All Commissioners voted aye.

Commission Concurred.

Agenda Item 2: Pavement Preservation Projects
Joplin – North
Glasgow – Northwest

Lynn Zanto presented the Pavement Preservation Projects Joplin – North and Glasgow - Northwest to the Commission. Background. The Surface Transportation Program – Secondary (STPS) finances highway projects on the state-designated Secondary Highway System. Secondary Roads are those routes that have been selected by the Montana Transportation Commission to be placed on the Secondary Highway System.

Secondary Roads Program funding is distributed by formula and is utilized to resurface, rehabilitate and reconstruct roadways and bridges on the Secondary System. Capital construction priorities are established by the Counties and pavement preservation projects are selected by MDT (per the guidance in MCA 60-3-206). MDT is proposing to add two new pavement preservation projects to the Secondary Roads Program – one in District 3 and one in District 4. Project information is shown on Attachment A.

If approved, it would be MDT's intention to let these projects individually. The estimated total cost for all project phases is $4,933,000 ($4,271,000 federal + $662,000 state) – with the entirety of the federal funding originating from the Secondary Roads (STPS) Program.

Summary: MDT is requesting Commission approval to add two new pavement preservation projects to the Secondary Roads Program – one in District 3 and one in District 4. The total estimated cost for both projects is approximately $4,933,000. The proposed projects are consistent with the goals and objectives identified in the Performance Programming (P3) Process as well as the policy direction established in TranPlanMT. Specifically, roadway system performance and traveler safety will be enhanced with the addition of these projects to the program.

MDT staff recommends that the Commission approve the addition of these projects to the Secondary Roads Program.

Commissioner Jergeson asked if the money for these projects comes out of the Secondary Program or from department resources separate from that? Lynn Zanto said it is allocated through the Secondary Program of each Districts. Each year we give them enough to put toward pavement preservation. As you recall in the TCP, we have pavement preservations funds that fall under each of the projects and those will fill plugs. These two projects are coming in to fill the plugs for preservation to make sure we meet the preservation commitment. It is all part of the Secondary Highway Program funding.

Commissioner Jergeson asked if the money detracts from the availability of funds for reconstruction projects that they have been prioritized. In June we took a tour on Hwy 232 that needs to be reconstructed, is this expenditure going to detract from the money or timing of when we can do that project? Lynn Zanto said it will not because we build into our plan the preservation plugs. This is just filling it and when they put the TCP together, all their construction projects are laid out and they also have this plug, so it will not detract from construction.

Commissioner Lambert moved to approve the Pavement Preservation Projects, Joplin – North and Glasgow – Northwest. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Public Comment

No public comment was given.

Agenda Item 3:   Highway Safety Improvement Program
Missoula District Non-Interstate
Centerline Rumble Strips

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

MDT is proposing a project to install centerline rumble strips on all non-Interstate routes in the Missoula District. The intent of the project is to reduce the likelihood

(and severity) of crossover and head-on collisions on non-Interstate routes in District One.

Prior to installation, MDT will review pavement conditions, environmental factors, urban area considerations and existing project areas to exclude locations that are undesirable or infeasible. If approved, it would be MDT's intention to advance two separate projects for construction – one in the northern portion of the District (Kalispell Area) and one in the southern portion of the District (Missoula Area).

The estimated total cost for all project phases is $9,969,000 (100% federal + no state match) – with the entirety of the federal funding originating from the Highway Safety Improvement (HSIP) Program.

Summary: MDT is requesting Commission approval for a project to install centerline rumble strips on all non-Interstate routes in the Missoula District. The proposed project is consistent with the goals and objectives identified in the Performance Programming (P3) Process – as well as the policy direction established in TranPlanMT. Specifically, traveler safety will be enhanced with the addition of this project to the HSIP program. The estimated total cost for all project phases is $9,969,000.

Staff recommends that the Commission approve the addition of this HSIP project to the highway program.

Commissioner Jergeson said Senator Lang was very complimentary of the Glendive District when they narrowed the width of the rumble strip in the centerline. It still worked but didn't affect the feel of the drive. It was done at four inches. Is there any plan in this project to duplicate that? Lynn Zanto said we've been refining the rumble strips. Dwane Kailey said Senator Lange was on a very specific route which was barely 24 feet and in certain places was 23 feet. We worked with the District on that segment and narrowed the rumble strip to four inches. Missoula has a host of challenges with residences being closer to the roadway in more populated areas, so we do things a little bit different in Missoula than in the other districts.

Dwane said we're going to drive every single route with district staff. We are looking at four or five different options. There is a new rumble strip which is more of a wave and doesn't generate quite as much noise as our standard rumble strips. We do have three standard options – a narrowing of the rumble strips to 12-inches, 8-inches and down to 6 inches. If there are routes where we have similar issues like what Senator Lange brought to our attention, we can look at four inches there as well. Also, Missoula's centerlines tend to be degrading and we believe it is because of the moisture over there. We are looking at treatments to address that issue as well. Just outside of Ovando there is a segment where we did centerline rumble strips and that has deteriorated quickly, and we don't want a to repeat that. So, we're looking at other options there. We could either use a mastic type material which is type of a crack sealant or we could mill out the centerline and repave it prior to doing centerline rumble strips. That's long-winded way of saying yes.

Commissioner Lambert moved to approve the Highway Safety Improvement Program, Missoula District Non-Interstate Centerline Rumble Strips. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 4:   Reapproval of Project Due to Increase In Scope and Cost of Multi Use Path – Heart Butte

(Transportation Alternative Project)

Lynn Zanto presented the Reapproval of Project Due to Increase in Scope and Cost of Multi Use Path – Heart Butte (Transportation Alternative Project) to the Commission. Per Transportation Commission Policy #12, MDT is required to submit projects back to the Commission (for reapproval) when a change in scope results in a significant cost increase (beyond what was originally proposed to and approved by the Commission).

At this time, the Transportation Alternatives (TA) Program manager is proposing to modify the scope of the Multi-Use Path – Heart Butte project. The project was originally scoped to install a multi-use path from Heart Butte Road to the Heart Butte school. The estimated total cost for the project (all phases) was $440,000.

Early in project development, the design team noted that the original alignment would adversely impact a large wetland area. Consequently, the design team is now recommending a new alignment (around the wetland) that will eliminate potential impacts to the wetland area. However, the new alignment will increase the total project cost (all phases) to $1,195,000– which is beyond the allowable limit for cost increases established in Transportation Commission Policy #12.

Summary: MDT's Transportation Alternatives (TA) Program manager is requesting Commission approval to modify the scope of the Multi-Use Path – Heart Butte project to avoid impacting a large wetland area. The total cost for the project (all phases) is now estimated to be $1,195,000.

MDT's Engineering Division and Great Falls District staff have reviewed the scope change proposal and concur with the recommended modifications. Additionally, MDT's Planning Division agrees that the proposed modifications are consistent with the policy direction established in TranPlanMT. Specifically, traveler safety and bicycle/pedestrian features will be enhanced with this project modification.

Staff recommends that the Commission approve the modified scope of work and cost increase for this Transportation Alternatives (TA) project.

Commissioner Lambert asked if they must realign the road? If so, it makes it a good-sized project. Lynn Zanto said it is not the road, the realignment is along the path. Commissioner Jergeson asked if the multi-use path was for both pedestrian and bicycle but not motorized vehicles? Lynn Zanto said yes, it is for pedestrian and bicycle only.

Commissioner Jergeson moved to approve the Reapproval Project Due to Increase in Scope and Cost of Multi Use Path – Heart Butte (Transportation Alternative Project). Commissioner Lambert seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 5:   Montana Scenic Historic Byways Advisory Council

Lynn Zanto presented the Montana Scenic Historic Byways Advisory Council to the Commission. As outlined in MCA 60-2-601, the Transportation Commission is responsible for appointing an advisory council for the State Scenic-Historic Byways Program (SSHBP). The SSHBP Advisory Council fulfills the following purposes (per MCA 60-2-601/ARM 18.14.201-202):

- Assists the Department and the Commission in designing the program.

- Reviews applications for nominating roads to the SSHBP.

- Recommends to the Commission roads that should be included in or deleted from the SSHBP.

The advisory council is a technical oversight council comprised of no more than 11 members who must have expertise in one or more of the subjects of tourism, visual assessment, Montana history, resource protection, economic development, transportation, or planning. One member of the advisory council must be a representative of the Montana Chamber of Commerce. Administrative Rules recommend a member have expertise in tribal culture as well.

In August of 2009, the Transportation Commission appointed three individuals to the SSHBP Advisory Council for a three-year term. The Transportation Commission reappointed these individuals in 2012 and 2015. Since their appointment, the SSHBP Advisory Council has

- Reviewed the Scenic-Historic Byways pilot project (MCA 60-2-606) and, based on ARM 18.14.205, determined that only four of the eight routes had potential for designation.

- Reviewed guidelines and website material developed by MDT.

- Recommended byway designation to the Transportation Commission for two qualifying applications: Giant Springs Road – Great Falls and Lake Koocanusa (portion of MT-37).

  Note: The Transportation Commission approved these two roads as scenic historic byways in May of 2011.

In preparation for the sunset of the SSHBP Advisory Council's term in 2018, MDT solicited and confirmed one member's interest in continuing with a fourth term. MDT solicited interest for the two vacancies and offers the following candidates:

- Ed DesRosier – Mr. DesRosier has served on the SSHBP Advisory Council since 2009. He offers expertise in the areas of tourism, economic development and tribal culture and history. He is the owner and operator of Sun Tours in Glacier National Park (23 years). He is an enrolled Blackfeet tribal member and was appointed to serve on the Governor's Tourism Advisory Council for Montana in 2005 and again in 2009.

- Chris Dantic – In 2016, Mr. Dantic became the Montana State Park Manager of Makoshika, Brush Lake, Medicine Rocks, and Pirogue Island state parks. He has a Bachelor of Science degree in History. He has been a Park Ranger with the US Forest Service and Bureau of Land Management and an Interpretive Specialist and Recreation Ranger with Montana Fish Wildlife and Parks. He offers expertise in resource protection, Montana history, and tourism. Makoshika State Park is a member of the Glendive Chamber of Commerce and Montana Chamber of Commerce.

- Sheila Ludlow – Ms. Ludlow works in MDT's Rail, Transit & Planning Division and manages the SSHBP on behalf of the Department. She offers her expertise in transportation and planning as well as skills in research, analysis, and interpretation of laws and guidelines. She is the state scenic byways coordinator for the National Scenic Byways Program.

Summary: The following individuals offer the knowledge and expertise to provide the necessary technical oversight for the Transportation Commission in implementing the SSHBP.

Staff recommends the Transportation Commission appoint, Ed DesRosier, Chris Dantic, and Sheila Ludlow as the State Scenic-Historic Byways Program Advisory Council.

Commissioner Jergeson asked if there were only two roads in all of Montana that have been designated a Scenic Byway? I remember when the bill went through the Legislature. Lynn Zanto said we looked at the statute and most of them didn't meet the criteria. There was interest in one other road which met the criteria for being adjacent for public land, but the road was in poor shape, it is Black Powder Trail up in the Heights in Billings which goes into a scenic area up on the Rims. The problem was it was in very poor condition and we asked the city of Billings to upgrade the road for it to be considered. This program isn't about getting money to improve the road; there is no money tied to this program. The benefit of having a route designated a Scenic Byways is more marketing and economic development and tourism but there is no money. There used to be a program at the federal level that roads could qualify for but in the consolidation of federal programs, the program went away.

The Beartooth Highway was designated at the national level and qualified for the federal money, called a National Scenic Byway and an All-American Route Road. That is the only road in Montana that qualified for that program. Commissioner Lambert asked if you could get federal money for signage when these roads are designated as Scenic Byways. Lynn Zanto said we don't get more money. Someone could propose a sign on a certain road and call it a Scenic Byway, i.e., Koocanusa, but it would have to go through our normal nomination processes. Being designated a Scenic Byway doesn't get you more money or improvements.

Commissioner Lambert moved to approve the Montana Scenic Historic Byways Advisory Council. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Socrata Presentation, Adrienne Greenberg

Director Tooley introduced Adrienne Greenberg and Jessica from Socrata. He said he became familiar with this company last year at the AASHTO Conference in Phoenix and saw a demonstration of they do. The information was exactly what I was looking for as far a consumer and not an Engineer. Socrata has the ability to bring all our data into a format that can be queried and get answers. It answers a lot of the questions the Commission has been asking. I asked them to come and give you a demonstration today.

Adrienne Greenberg said we're going to be presenting how this technology works. We will start with your program goals – understanding what you are trying to communicate to the public or to the Commission. We'll include some of the things you're presenting today regarding tentative projects and what programs they are using, the projects you are proposing, etc., and show you how we can make that process more visual and hopefully streamline some of that data as well. I would love feedback and edits as we go along.

Adrienne said I have been with Socrata about four years. We only work in the government's base. Previously before being an Account Executive, I was an Account Manager, meaning I worked with everyone once they decided to work with Socrata. I worked with every major city and county from Raleigh to New Orleans down to Miami showing them how to promote better data governance, how to promote better usage of data, how to promote data analytics in government. I've been there and

have seen all sorts of different maturity levels and a lot of best practices are from what we've learned.

Jessica said she and Adrienne joined Socrata about the same time. She has worked most on sales and with implementation and knowledge of how to use the technology. She said before Socrata, I worked in county economic development which took me into civic technology and data space.

Program Goals

There are a couple of different audiences we think about for results – commissions, public, constituents, staff, Legislators, and others that need information as opposed to giving them an excel spreadsheet. How could we streamline some of the financial data to the staff etc. There are several different ways to handle the financial information. Director Tooley spoke some about your gas tax and how to show where that funding is going. So, the next time you need to ask for additional funds from the Legislature, there's some history of communicating what you are doing with the funding and where it's going.

I work with a lot of governments across the United States, and all of them talk about their analysts getting data requests and being overwhelmed by reports that need to be done or requests that come in. How can we make that process easier and how can we free up the time spent creating end reports, performance measures, communicating to the public or anyone? How can we streamline that whole process?

These are some program goals you have discussed, and some that other governments are working on right now. Jessica asked if any of the Commissioners had specific questions or concerns about program goals. Commissioner Jergeson said he has had some struggles with information that's presented or scattered. In the TCP and the Red Book, a project may have several different funding sources. You see a number which is a federal number that refers to that job, then you have to figure out which column gives you the state match, and which column has the total project amount. You must decipher some initials or acronyms for a variety of projects and then go find the page that has the bridge projects listed and get that number and add it by hand. That is one of the struggles I have. I would like to see a system that would be more intuitive; one that gives me the different funding sources and the cumulative amount. Then there is the construction program that does not include the plan expenditures for the engineering portion of the project or the funding for right-of-way. Those are all parts of any project that need to be accounted for when you put it into a system that rolls everything into a total. We're not pushing the revenue stream from the federal government and our own state resources. Another concern is on the State Transportation Improvement Program, as projects go through various phases, out of the five years they are assumed to be in the STIP if you have a year they are not in a phase, they disappear from the STIP. Evidently the software is so fragile you can't simply add a page to each of the districts that states the project is still in the five-year program but this year they are no in a phase, etc. We need assurance that the project is still in there when we look at the STIP and not wonder where it went.

Jessica said it sounds like you need a general listed view into what is going on with a project – which one is in a cue, which phase it's in, being able to slice and dice and filter that data in different ways. If you want to know all the projects in the planning phase, you could easily get to that sort of information. That is what we anticipated you needed – what the staff needs, how to share data? Staff needs access to real-time data; what is the budget; how are they performing compared to that; how are their estimates holding up over time? That would be useful information. Then after that project is done being able to look at similar type projects to see the total cost and all phases to help estimate and project for future projects. How can we learn from what happened in the past? As Commissioner Jergeson indicated, we have that information but it's not easy to find; the data is out there but it's a nightmare to put

together. Jessica said that is the same thing I hear from every government department and agency. That is why Socrata exists.

Background on Socrata

Socrata is headquartered in Seattle with 150 employees. We have another group in D.C. that works with our federal clients. We started about 10 years ago around the idea of open data. The leading cities of Chicago, New York, San Francisco, and Seattle pioneered the idea that if it is something that the government collects, to an extent it should be shared with the public so they have a better understanding of how their money is being spent, how they are performing, and just the general of what is happening in government. That is where we started. We do everything in partnership with our customers. We build first with someone coming to us with a problem that we try to fix. As opposed to coming up with what we think people need; we listen to what you need. Everything that we build and what we've learned has come from folks like yourself struggling with how to communicate information; who have a ton of data and are spending quite a bit of money collecting that data but have a hard time being able to make it useful.

When you start with data, the audience is the public. So, how do we get spreadsheets and excel spreadsheets out to the public so they know everything that is going on so we can say we're accountable and transparent? It is no surprise that excel spreadsheets are not the best way to communicate information. We heard feedback that we need to be able to visualize the data, to be able to put narrative around it, put a little context around it. The last thing we want is for some journalist to grab this spreadsheet and come to their own conclusion and write an article that is false. So, how can we help put the information out? How can we help contextualize this information?   We work with almost every major city, major counties and about half of the states either in a central IT or CIO's office or within specific departments. I'll talk a lot about what we do with Utah DOT and the Director as well as Hawaii DOT. We also work with Transportation Authorities on the local level, and with the US DOT. We heard we need context, we need certain experiences for certain types of data, financial information is extremely complicated to understand, and how can we make an application specifically for that. We'll show you some of those later.

What we learned in the last two years, when we analyzed who looks at these portals or websites, was most of the people were from the department itself. In Seattle, the Public Works Department had never had access besides emailing Sue to ask her to do a data pull and send an excel spreadsheet that was out-of-date as soon as she sent it. That was the only way they could get information. They needed real time, up to date, machine readable raw data that was not in pdf that was visual, and you could know who owns it, etc. So, we've been focused on how we can help staff be more efficient and effective.

Commissioner Lambert asked if part of the program was for the public, who doesn't know a lot about the state or computers, to know how to get the information for Beartooth Pass, new construction, etc., information they could understand and see what was going on? Jessica said yes. How do we make it simple enough for them to navigate? We've done a lot of research on the way people consume information. There is two parts to this – the public uses information that has been vetted by you and you feel secure about presenting to the public. Then there is a secondary piece that is for staff getting information you may not necessarily want to make public, but you need access to it across your organization or even to a different department that needs the information. For the purpose today, we are going to focus on the outwardly facing piece; what would we communicate out to the public and how.

Our product is called "The Socrata Connected Government Cloud" or SCGC. We will give you a demonstration. We believe in mission success for you. How can we help you with Vision Zero? How can we help you better analyze crashes, what type

of crashes, how can we get the data to you, how can we help you track performance on those sorts of things? How can we take the data for any program to make better decisions and hopefully make it easier for everyone to communicate that information amongst each other?

We work with Utah's DOT Director. They had worked with us on making data open to the public. They said their analysts loved it but how can we make a lock-down version that only our analysts, program managers and directors can see. They were one of the first folks we partnered with on the staff having access to the data. Everything I'm going to show you is public. They have a Strategic Directions Report. Basically, it is their annual report with all their performance metrics that they present to the public and to legislators. All the data points you see are dynamic as the data is coming in; the numbers change every day as they get more information. Anybody can look at how they are performing against their performance targets. This is not something where someone must update the information every day or year, all the data underneath is creating the numbers we're seeing here. As the data is ingested into your different line of business systems, it is being presented here.

Here you can see all the different tactical measures they have. The one we want to talk about is their Transportation Commission. They've created a dashboard specifically for their Transportation Commission. Their two main focuses are project development and fatalities. This is the preconstruction advertising status in the current fiscal year tied into performance. They break it down into past year, 60 days, and various different metrics they are reporting on. This is how they've decided to present this information. If it isn't relevant to how you want to see information, it doesn't need to be done this way; we can do it differently. They start with high level stats on the top and then go on to provide more detail. Below you can see the total estimates for projects – the project manager, project location, value cost estimate, and various other features of the project. Advertising status you can see the ebbs and flows of the different stages the project is in, if it was out early, if they are in scoping feature. All this information can be presented any way you want. This level of detail is not something the public may be interested in, but these may be similar metrics that you are sharing amongst each other for reporting purposes to help make more informed and quicker decisions about the projects you are going to fund, the programs you are going into and approve, etc.

Throughout this demonstration, what you're seeing is how we are connecting to the systems that are taking the data generated by your programs and creating a space where it is accessible. We are showing you some different ways to make it accessible and more available and some different visualization techniques that are possible. Commissioner Jergeson said obviously you have different data bases you're pulling from and interacting with those different systems to extract that data. Jessica said exactly. In the city of Seattle, for example, there are 1,200 different systems. That's a lot and obviously only a very few people are experts on any one of them. So, it's a huge bottleneck in terms of being able to get data from each other when only one person knows how to access data from one system. We identify where all those different pieces are and push it up to our interface which is easy to navigate and get information from; it's simplified.

Commissioner Jergeson asked if it was a low-code approach? Low code, no code? Is this something that if a customer wants to create his own view, it is a no code approach? Jessica said no code for the viewer who just wants to utilize the data and create some visualization out of it. There are people who understand the technical systems we need to interface with, use the code and understand it, but otherwise you're just choosing from drop down lists and dragging and dropping visualizations. Commissioner Jergeson said every time a person touches it the error rate goes through the roof. So, you're inputting one time and then you're out. Jessica said yes. We work with two people – the analyst who is going in your system and figuring out what data you want to take from there up, and then the business manager who

understands the alphabet soup and what that means to other humans. Those two people together work to create a strong data set that is big and then filter it to get smaller. But to your point, lets' get one stream of data out and not have a lot of people messing with how to get data. Then you can filter out certain things that you need.

Kevin McLaury asked if any other DOTs had approached them with trade-off analysis. Jessica said no they haven't. Kevin said we're moving into an asset management philosophy, Congress is helping direct this, is that something this system is capable of doing? Jessica said she would have to know a little bit more about it. Kevin said in general, are you going to put $15 million into pavement or into a bridge – what's the trade-off? The one that is classic is safety – put $15 million into safety but that gets tricky because when you put new pavement out there it actually helps safety. It gets tough to do trade-off analysis. That would be interesting to me as a Fed. Jessica said some of the more predictive analysis and trade-off analysis that are more difficult we do with a partner. The Utah DOT and Wyoming DOT will partner with Grant Corten, a firm that works with the federal DOT since they do more of that.

Seattle DOT

We want to show you the ways to get information and make it available to others. Two or three years ago, the city of Seattle wanted to pass a very large levy. We had already worked with the city of Seattle for ten years, and they approached us to help find a way to show what projects were currently going on so that when the levy went up for a vote, people could see there was already accountability; and they could see how much money was being funded for current projects. We set up a way for people to quickly look at where projects were in Seattle and the levy passed.

This is a map of projects you can navigate with your mouse to see what projects are going on where. This also shows the different council districts so the viewer can filter down the projects to only the ones they are interested in within a certain district. At a high level you can see the different projects across the board, what type of project it is, the cost estimate, cost status and schedule status. This information comes from your systems as quickly as it is updated. You can select any project and find out more detailed information about it. This information is completely configurable to the information that is important for you and your constituents. This is what Seattle chose to have accessible, but all of this can be configured based on whatever information is most useful for you to communicate to your staff and constituents. You can make it as detailed as you want. You can make unlimited amounts of data available. Maybe you want to make something only accessible for internal use or one that is simple for the public to understand, you can put these up any way you choose. As long as we have the raw data supporting it underneath, you can put it up any way you want. That is the caveat – you must have the data.

Commissioner Lambert asked about the cost estimates. What I hear Greg say quite often is that everything is an estimate and he would like to have some actual figures. Does this do that; does it tell you how they came up with the estimation? Will it break it down so people can understand it? Jessica said yes, we can do that. We can add free form text explaining the estimate or you could click into it and get a breakdown of the estimate. Commissioner Jergeson said it is not so much that I want to know the real number because an estimate is going to be an estimate until the dollar is spent on a project. The estimates change and sometime changes are simply a function of calculating inflation for the various key components of a project over time, but sometimes features of the project change from the design. It is having an idea of what is causing those numbers and estimates to change so that we're kept fairly current with them. Not just what the ranges are but to be able to track that more easily or intuitively.

Jessica said depending on where the information is stored, being able to time stamp those things so you can see when it changed over time. Again, it would be whether that information exists in that way now – if the data tracks that sort of information, we can show it. We would do an assessment of what data exists and what's possible to get. If it doesn't exist, what are the gaps and where do we need to do more to get more collection points of information.

Lynn Zanto asked if the service provided the format – i.e., the map, the description, and other information is entered into some data base somewhere and brings it forward or how does it all get out here to the public. Jessica said the information behind this is just powered by a spreadsheet. Presumably if you have project information in a system somewhere, we would pull an automation from that system. So, it wouldn't be adding any additional manual inputs. A lot of time your system might not have pictures or a description so there are normally some tweaks that end up happening once we look at the data coming out of your system. The idea is to not create separate work flow; it's not to have whatever you keep in your management system and then another spreadsheet that hopefully somebody updates at some point. Lynn Zanto said that's my worry that your adding some responsibility somewhere else. Jessica said that is not our intent. How do we take the data that already exists – we can do anything with the data that already exists.

An example of that is with Utah DOT, within a few weeks we connected 13 different systems and the result impacted their Mission Zero priorities. If there was an accident with fatalities, because the systems were automated, the Director knew about the updated information immediately because of the alert built into the system and he was prepared to present that live view of the information the next day to the Legislature.

Alerting is Built into the System

Alerts are a feature that make it easy to use the information and not have to remember to check another page. Anytime the information updates, it will alert you to the information you have asked it to alert you to. You can set it up to alert you to any type of information you desire either by text, email, etc. Commissioner Jergeson asked about no code. To set up this specific project page, you are creating the structure of it and then you can go in, with no coding, and ad a picture or map or information, then pull the drop down for the estimate and it knows where to get it from. Jessica said it would be telling the system to go get this information from this specific place and it gets it. If somebody updates their system, then the system would bring that new information in and alert you that the information had updated and changed.

Commissioner Jergeson asked if they had a data dictionary. Jessica asked if he was asking if the end user designs the page or does the product developer? Commissioner Jergeson said I'm looking at what it's going to cost the department. Every time we update a project, do we have to come to you or is it something the department can do? Jessica said it is a commercial, off-the-shelf product. This is not custom development but the features and things you can update are customizable. We don't have to stand up custom code every time. She showed an example of Fulton County, Georgia. We can deploy quickly because there is already a basis to pull from. If the data is in your project management system, and it is uploading and automating data from that system into this system. So, theoretically the business process you have in place to add a new project or add more description, it automates from there. If you wanted to add additional things manually, it would be like adding an extra line in an excel spread sheet; that's the level of difficulty. Jessica went into more detail about Fulton County.

Montana Data

We were grateful to get some bits of information on projects within MDT and use it along with some maps that were already in the RJS platform to create a version that might be applicable to you. To preface this, although the projects are real, a lot of the information I have randomly assigned because we didn't have that level of detail, so the project status you see may not be correct. We can select a division and it will give us a list of projects within that district. You can see how the map also filtered the information. Maybe we only want to look at Safety projects within that district, and this gives you that list. You can click on any one of the safety projects and it will give you information about that project. You can see the corridor that belongs to the district, the program it belongs to, as well as the stage of the project. You might want a list of tentative projects, the stage it is in, estimated start date, etc. What information might the public want to see. There are limitless possibilities.

Commissioner Lambert asked if it was on a year-to-year basis or will the map show the project is planned for 2020. Jessica said we can add a filter to do that. Lynn Zanto asked if it could generate a report. Jessica said you can pull up this website and it becomes a unique URL. If you filter it on a particular district or program, you would click on that button whenever you are at a public meeting and pull it up. You can also send the link out; everything is mobile friendly, and it works well on a phone. If you want a physical piece of paper, you can print that. You can also show this information in a budget format, projected cost, low cost versus high cost (she demonstrated that). This is based on the same information that is powering the map visualization and is a different way to provide different insights to different people. It can show how a project is funded and how the funds are being spent and where they are in the fiscal process. It can show estimated costs versus real costs.

Commissioner Jergeson asked if there were any file types not allowed; are you restricted by file type? Jessica said we don't recommend PDFs, but it can be done. The primary machine-readable format is a CSV (common separated file format). Commissioner Jergeson asked about a fire wall. Answer: As long as it is approved, and the data is classified, and sensitivity is considered, and the Director approves it. Jessica said it is on AWS and Fed Grant Secure. Basically, what the federal government has set for their security standards, and we get audited every quarter, so there is a very high federal standard of security.

Commissioner Lambert asked how you decide what is public and what is not. Director Tooley said I think the public should have access to all information, but we'd like it presented in a way the public can understand. There should be no secrets. Jessica said it is a total decision based on what you all feel comfortable with. We can give you some guidance from other data policies we've seen people enact in terms of what they deemed to be private or not. We work with people who have all sorts of varying ideas on whether information should be out to the public; and they have lots of different policies to fall in line with. There are some official policies we can give you guidance about. We can give the public everything but that's not a very good way for them to consume information; it is better to have less information because it is more informative when adding context and narrative so they can understand it better.

Commissioner Lambert asked if the Commission was going to decide today whether this is a good program for Montana. Director Tooley said no because that involves budget. I just wanted you to see what is available. I was excited when I saw this last year. Jessica said she would send an email with all the information and links you can explore. We can set up another time when the Commission can dive a little deeper. Director Tooley said we can talk about it and let you know. Adrienne said I appreciate you taking the time today to listen to this presentation; we're excited about the opportunity to work with you.

Agenda Item 6:   Speed Limit Recommendation

MT 200 - Jordon

Dwane Kailey presented the Speed Limit Recommendation – MT 200 - Jordon to the Commission. Garfield County officials requested this after receiving complaints about passing activity occurring on the east end of town. The Sheriff's office recommended extending both the speed zones and no-passing zones outward. We have reviewed the traveling speeds, the accident history, and we are recommending the following:

Jordan East

A 55-mph speed limit beginning at station 28+40 (metric) project NH 57-5(24) and continuing west to station 24+80 (metric), an approximate distance of 400 meters or 1,300 feet.

Jordan West

A 55-mph speed limit beginning at station 1653+00, project NH 57-5(18) and continuing east through the curve to station 1667+00, an approximate distance of 1,400 feet.

Then transitioning to a 45-mph speed limit beginning as posted at station 1667+00, project NH 57-5(18) and continuing east and then north to station 1680+00 (as posted), an approximate distance of 1,300 feet.

We have presented this to the Garfield County Sheriff as well as the Garfield County Commissioners and their concurrence is attached for your review.

Commissioner Lambert moved to approve the Speed Limit Recommendation – MT 200 - Jordon. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 7:   Speed Limit Recommendation
US 212 – Beartooth Highway

Dwane Kailey presented the Speed Limit Recommendation for US 212 – Beartooth Highway to the Commission. Earlier in the meeting, Lynn presented a Safety Project and mentioned that it was a systemic improvement. This recommendation came from a similar systemic safety improvement. Our staff has been going state-wide looking at adding curb warning signs. When they did that on the Beartooth Highway, they recognized the posted speed limit was not appropriate given the highway alignment. We studied the traveling speeds on the Beartooth Highway and with that we are recommending a change in the speed limit as follows:

A 60-mph speed limit beginning at station 35+50, project FH 59-2(6), at milepost 67.83 and continuing south to milepost 56.4, an approximate distance of 11.43 miles.

A 50-mph speed limit beginning at milepost 56.4 (near the seasonal access barricade) and continuing south to milepost 54.65, an approximate distance of 1.75-miles.

A 45-mph speed limit beginning at milepost 54.65 and continuing along the mountainous segment to milepost 46.75, an approximate distance of 7.9-miles.

A 50-mph speed limit beginning at milepost 46.75 and continuing on to the Montana-Idaho state line, an approximate distance of 1.77-miles.

We sent this to Carbon County, and they support this recommendation. That is attached for your approval.

Commissioner Jergeson moved to approve the Speed Limit Recommendation for US 212 – Beartooth Highway. Commissioner Lambert seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 8: Speed Limit Recommendation
US 212 – Laurel South

Dwane Kailey presented the Speed Limit Recommendation for US 212 – Laurel South to the Commission. This was requested by the CHS Refinery staff. The highway goes through the refinery and they do a lot of traversing across the highway. We looked at the traveling speeds as well as the conflict between pedestrians and traffic. Based on our review of the situation we are recommending an adjustment in the posted speeds. We recommend extending the 35-mph speed zone south, and updating the 55-mph speed zone description to match that posted in the field as follows:

A 35-mph speed limit beginning at straight-line station 151+50 (north side of the intersection with S. 4th Street) and continuing south to station 126+50, an approximate distance of 2,500 feet.

A 45-mph speed limit beginning at straight-line station 126+50 (400' south of milepost 54.0) and continuing south to station 98+00, an approximate distance of 2,850 feet.

A 55-mph speed limit beginning at straight-line station 98+00 (100' south of the access to Riverside Park) and continuing south to station 22+00 (milepost 22+00), an approximate distance of 1.43-miles.

We have presented this to the County and their approval is attached. Commissioner Lambert asked if it would change when Rock Vail Laurel is complete since the configuration of the road will change. Dwane said it is on the end of that; I believe our project ties in at the end. There will be a portion that will be adjusted with Rock Vail Laurel. Once that project is complete, we typically post what we believe is the appropriate speed and six months later go out and study the speeds and adjust as necessary.

Commissioner Lambert moved to approve the Speed Limit Recommendation US 212 – Laurel South. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 9: Speed Limit Recommendation
MT 200 Stanford

Dwane Kailey presented the Speed Limit Recommendation – MT 200 Stanford to the Commission. This was requested by Judith Basin County and it is based on a concern with site distance. We've looked at the traveling speeds and reviewed the situation. Based on that we are recommending an adjustment in the speeds as follows:

A 60-mph speed limit beginning at station 170+00, project NH 57-2(18) (1,000 feet north of the intersection with MT 80) and continuing south to station 192+00, an approximate distance of 2,200 feet.

Judith Basin supports this recommendation.

Commissioner Lambert moved to approve the Speed Limit Recommendation for MT 200 Stanford. Commissioner Jergeson seconded the motion. All Commissiones voted aye.

The motion passed unanimously.

Agenda Item 10: Speed Limit Recommendation
Secondary 290 – Dry Creek Road

Dwane Kailey presented the Speed Limit Recommendation for Secondary 290 – Dry Creek Road to the Commission. This is a little unique. The last one you received like this was from Missoula County. Under the statute 61.8.309 there is a provision where a local government can use their own engineering staff or contract with an engineer. They can do the speed study and present it to the department, we review it and if we find it is adequate, we present it to the Commission. In this case, the local government used their internal engineering staff and reviewed the traveling speeds, the accidents, the law enforcement citations, and they are recommending an adjustment in the speed. We have reviewed it and concur with it. What we are presenting is a recommendation from a local government that we believe is appropriate.

A 50-mph speed limit beginning at the intersection with West Dry Creek Road (milepost 8.875) and continuing north to just beyond the intersection with Reynolds Creek Road (milepost 11.675), an approximate distance of 2.8-miles.

Commissioner Lambert asked about their authority. Dwane said any local government has the authority under statute but most of them choose not to do it and would rather use our resources. Commissioner Lambert asked if the Commission must approve it. Dwane said yes but there is a time limit. We believe it must be reasonable before things change out there, but it is ultimately the Commission's authority to approve the change. Obviously, Gallatin County supports this since it's from them and we concur.

Commissioner Lambert moved to approve the Speed Limit Recommendation for Secondary 290 – Dry Creek Road. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item 11: Certificates of Completion
July & August 2018

Dwane Kailey presented the Certificates of Completion for July & August 2018 to the Commission. They are presented for your review and approval. If you have any questions or comments, please feel free to ask. Staff recommends approval.

Commissioner Jergeson asked about the first project (Contract No. 6616) where the final amount was higher than the bid amount. Was there a change order along the way? Dwane said typically we include any major changes up front. I don't know if it was a change order or a cost overrun. Given the amount, it may not have been a change order since it is only an adjustment of $22,000. It may just be cost driven.

Commissioner Jergeson said when a contractor makes a bid, if something is going to cost more, shouldn't there be a change order, or do they just run over the budget and we pay them more than they bid. Dwane said we have staff on these projects. Keep in mind our contracts have estimated quantities in them, so even though it may say one thousand cubic yards of gravel, we need to put enough gravel out there to build the project and if we've estimated that wrong or we want to extend the limits a little bit, we are going to pay for the actual quantities it takes to build that project. Staff is monitoring this to make sure there isn't any kind of fraud or inappropriate behavior going on. Change orders are written if there is a change in the scope, if a major item changes by more than 25% or a minor item changes by more than 50% either up or down. That is when we look at change orders. That dollar amount may not have hit that threshold.

Jergeson said the numbers are legitimate but the question is the document – we go through a process in a change of scope which is the documentation of the change order causing a different amount the contractor is compensated. Is there any similar type of documentation available on this? Dwane said the federal government is really heavy on red tape and nothing gets paid without some sort of documentation. Most of it is very verbose; we track everything, and it all must be measured for payment. Everything is paid differently, i.e., dirt work we typically measure the roadway, we survey it, we design it and it's measured, and all that documentation is maintained in the project file. It's sent over to an engineering officer in the district who reviews the information, they check it, then it comes into Helena and we have staff that checks it, so it is checked and verified twice to make sure it is accurate and appropriate and meets the federal requirements. Pat Wise said if the change triggers a change order, we write one but if it is just a quantity overrun or underrun, that is documented by the site manager. Commissioner Lambert said if we wanted to see the documentation, it is available. Dwane said yes.

This is the last project under CTEP; we're done with that program. CTEP became Transportation Alternatives and when it was the Enhancement Program, those type of projects were eligible so historic preservation could be done.

Commissioner Lambert moved to approve the Certificates of Completion for July & August 2018. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 12:   Project Change Orders
                                          July & August 2018

Dwane Kailey presented the Project Change Orders for July & August 2018 to the Commission. They are presented for your review and approval. If you have any questions, please feel free to ask. Staff recommends your approval.

Some of these are fairly substantial. When ER projects are in the same area, rather than going out and hiring a new contractor, we were able to task them to do some of the ER work. Some are pretty extreme, but a fair number are associated with ER projects.

Commissioner Jergeson moved to approve the Project Change Orders for July & August 2018. Commissioner Lambert seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 13:   Liquidated Damages
NH 43-1(37)35 – Roy East
STPP 28-2(54)45 – Beartooth Highway

Dwane Kailey presented the Liquidated Damages for NH 43-1(37)36 – Roy East and STPP 28-2(54)45 – Beartooth Highway to the Commission. They are presented for your review and approval. We have two projects for liquidated damages:

NH 43-1(37)35 – Roy East. The contractor was Century Company. They had four days of liquidated damages for a total value of $8,272. They are not disputing those charges.

STPP 28-2(54)45 – Beartooth Highway. The contractor is Riverside Contracting. They have two days of liquidated damages for a total value of $4,900. They are not disputing these costs.

With liquidated damages, you need do nothing and they stand as is. If you want to adjust them, then you need to make a motion. If you have any questions, please feel free to ask.

STAND.

Agenda Item No. 14:   Design Build
Billings District ADA Upgrades
CMDO STWD (590), UPN9528000

Dwane Kailey presented Design Build, Billings District ADA Upgrade – CMDO STWD (590), UPN 9528000 to the Commission. We issued request for qualifications for this project in June and we received two statements of qualification in July. We invited those firms to submit a Technical Proposal. Both firms submitted responsive Technical Proposals. Those proposals were independently scored and tabulated. Subsequent to that the firms submitted Bid Price Proposals. The two firms were Century Companies Inc. Stahly Engineering/Peaks to Plains and Riverside Contracting Inc./DOWL. Riverside Contracting/DOWL scored highest. We use a formula that determines the best value and design build is the best value. In this case, the highest scoring firm also submitted the low bid which is the best of both worlds. Based on that Riverside Contracting scored the most total points. Based on that staff recommends the Commission award the project to Riverside Contract/DOWL and that both firms receive the Stipend because they both submitted responsive Technical Proposals.

Commissioner Lambert moved to approve the Design Build, Billings District ADA Upgrade – CMDO STWD (590), UPN9528000 and award both firms the stipend. Commissioner Belcourt seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Agenda Item No. 15:   Letting Lists

Dwane Kailey presented the Letting Lists for the months of September through February to the Commission. They are presented for your review and approval with one major caveat. If you notice on the top right-hand side of the page the run date says 9/13/18 which means these were run prior to finalizing the TCP. So, this is not updated based on the decisions made for TCP. We ask that you approve them based on updates from the TCP. Commissioner Jergeson asked about the dates. Dwane said September projects are out the door, October 11th is out the door, October 25th is already being advertised. Commissioner Jergeson asked if the letting is when the project goes out. Dwane said the letting is when we open the bids. Commissioner

Jergeson said I'm looking at 80858 which is there three times. Dwane said those are the projects that are under the same UPN number. Those were bid earlier in the year and we rejected the award. Dwane said the September date is the date we put it up for advertising. Then October 25th is when you open the bids on these projects.

Commissioner Lambert asked about the project acted on at the last Conference Call. Dwane said yes that is correct – 2 of 9. Again, these were done in September and haven't been updated with the TCP. It is already done and awarded. Commissioner Jergeson asked about the three components of 80858, if they were put together instead of three separate projects, would that be the total of the bid? Dwane said there was a fourth segment that we split out and will award at a later date. Commissioner Jergeson asked if there was somewhere to compare the cumulative total of these four projects with the estimate and the bid in the circumstance that failed? Dwane said we can provide that to you when we let the last segment of that.

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

The motion passed unanimously.

Agenda Item No. 16:   Discussion & Follow-up

Larry Flynn - Status of State Fund and our Ability to Match Projects

I'm Larry Flynn, the CFO of MDT. We look at all things that have a dollar sign associated with them, not just the Federal Aid side but obviously one of the biggest focuses we have is the state fund that supplies not only the match for the Federal Aid Funds but also all the administrative costs and of course the very large maintenance program we have. Coming into the last Legislative Session, there was a lot of talk about what was going on with the state funding sources especially state matching sources. All of that came from the Highway State Special Revenue Account which is primarily from motor taxes. No surprise that fund has been under a lot of stress for a lot of good reasons. The last tax increase was in 1994 and since that time we've had tremendous inflationary pressures; not to speak of the growing size of the Federal Aid Program which we're very grateful for, when we're trying to match that.

To give you some perspective, in 1994 that program hovered around $100 million and we are now in excess of $400 million. So, trying to match that program with the same $.27 per gallon gas tax becomes very expensive very quickly. Of course, once you expand that Federal Aid Program, we must match or maintain it which takes a lot of state capital. It is no surprise that we have much more fuel-efficient cars on the road today than we did 25 years ago and when you're taxing a gallon of gas, that puts a pretty good strain on your roadway stream.

Coming out of the 2017 Session, the Legislature took a three-pronged approach in solving the funding crisis in the Highway State Special Revenue Fund. The biggest and most public part of that fix was the new revenue generated in HB 473 – the $.04½ tax that got implemented and over a five-year period goes to $.06. That is all directed to a separate account that goes specifically for road and bridge maintenance and construction at both the state and local level. In fact, about two thirds of that money goes to local governments and MDT receives about one third of that revenue.

The second part of the fix the Legislature imposed was some expenditure reductions in the department. We lost 65 FTE; a 35% reduction in our state funded construction program, along with some reductions in winter maintenance costs and IT costs.

The third prong was to separate some of the funding and create a more defined system of accounting for all users of the fund. The old model was gas tax and revenue came into the Highway State Special Revenue Fund and then we had a bunch of agencies and other entities that spent from that, i.e., the Highway Patrol, Motor Vehicle Division, MDT, local governmental, etc. One of the greatest things the Legislature did was to separate that out where we have a certain amount of money that goes to Highway Patrol; they have their own account that they manage, and we manage ours.

How the funding works now? We have our set pot of federal funding we need to manage but obviously we need the state cash to be able to manage that. They work on different time frames. When we obligate federal funding to a project, we do that by phase and at the start of the phase. As you know, some of those phases can be over multiple years, even a construction project can be two, three, or four years, PE can be many years longer than that. We're committing these federal funds at the start of a phase of a project. Of course, when we're looking from a cash perspective, we have to be sensitive to when those payments are actually going to occur, and we must have the money in the bank.

There are two impacts the Federal Aid Program has on state cash. One is we are a reimbursment program, so we need the money up front in state funds to pay for that work and then get reimbursed later. It's not a month, it's a few days but still we must have the money on hand to cash flow even for a short time for the costs associated with delivering the Federal Aid Program. And as you all know, we don't get reimbursed for all the costs, we do have to provide the match. We might be spending $100 of state funds on one day and a few days later we're going to get $87 back from the federal government. So, we need not just the matching funds but the ability to cash flow those costs as they are incurred. That's the relationship between obligation authority and cash. Cash is the Highway State Special Revenue Account and it is very much a bank account that we need to manage.

From a Legislative standpoint, we also need the appropriation authority to make those costs. Again, like the cash issue, we have this revolving set of projects that are being paid out over time, but we have to have the budget authority in the state fiscal year to pay for the actual cash-out rate from those projects. One of the things that happens downstream from the TCP process, is now we have to look at all the projects in the hopper plus all the ones we're planning on through the TCP process and try to determine within the fiscal year what the cash payout on each of those projects is going to be – when we're going to spend money and when we're going to get money back so we can build a cash flow based on that. Then we take that cash flow and translate that into what we need for state budget authority to ask from the Legislature.

Contractor payments for highway construction represent right around half of the department's budget. It's a very large expenditure and we pay contractor's once a month. That's half of our budget residing right there.

Having that dialogue between when we're going to need appropriation authority and when we're going to need cash and how that relates to managing the Federal Aid Program becomes an unending circle of life. We got caught in that last session. When we left that Session, we knew we were going to be struggling to get through the biennium and that's what happened. We got into calendar year 2016 and we actually had to cut $26 million out of our budget mid-year to try and save the cash to get to a point where the Legislature could help us out.

Commissioner Lambert said the federal government may go for a couple of years before they approve the budget, so how can you make these budget decisions when you don't even know what the federal government is sending in. Larry said that's a very technical process we call "guessing". We do the best we can; we use a lot of

assumptions in our work to be able to do that. You hit on a very key point. In these times when the federal government is sluggish in appropriating money to us, we have to make decisions on what can deliver to keep the program moving. What that's meant in the last few years is a lot of projects have been pushed out and pushed out which heavily impacts our cash flow needs. Fiscal year 2017-18 were actually pretty low years in terms of contractor payments. We've got a lot of projects out, but the program is fully delivered, but the cash flow of those projects is yet to hit; those chickens haven't come home to roost yet. We know that going in, we're carrying a fairly high cash balance right now because of that but we know that in 2019-20 and subsequent years, we're going to catch up to that and we're going to be burning through cash and burning those projects pretty quickly. The good news I'm going to share is that we've got some money right now but that does not mean that we have money.

I always talk about cash flow much like our home checking account; I don't know about anybody else, but for me if I look at my checking balance on pay day, it's going to be the high point of the month. If I take that one data point and say yippie I have a lot of money, I'm going to make some really bad decisions. At the same time, when my mortgage hits, it's going to be the lowest part of the money and if I use that data point, I'm going to make some bad decisions. So that's what we try to do, try to figure out when those ups and downs are. A chart of that looks like a seismograph; if you look at our daily cash flow, we'll swing tens of millions of dollars within a few days because of the timing of how all that works. Trying to gage that is a balancing act. When we're trying to project the work you've done with the TCP – we have all these projects underway, a backlog of projects from a cash flow standpoint, and now we've got all the projects we're planning and we're trying to build a budget that will carry us through June 30, 2021. Yes, it is challenging but we're blessed to have a highly qualified team of professionals that has kept this thing going for a while.

On the flip side, obviously it is very difficult for us to project out in any real way in the future what's going on with the fund. Not just because of the Federal Aid Program, but you think of the Maintenance Program that's entirely state funded and the kind of winter we have from year-to-year will heavily influence that. This last winter was really heavy and we've had some years that were light. You can look at our cash balance, you can almost point to where the heavy winters were – 2011, 2014, 2018 were bad winter years and you can see that on the cash flow.

My huge caveat to this is that we're just kind of straight-lining this out into the future to see what it looks like, the green line on the chart represents what we're expecting to see in terms of revenue. I can tell you my staff is very nervous about that because as fuel economy increases, and you see this flood of new technologies especially hybrids and electric cars, we don't know if we're going to see a whole lot of growth in gas tax revenues. We are anticipating some but typically those revenues grow at a rate of about one half of a percent per year. Inflation on the other hand is somewhere between two and three percent per year. The match is pretty simple on how long you can sustain a fund balance with that kind of difference. Over time we are committed to a little bit of higher cash balance now, those first two years are a little bit more scientific in terms of what we're projecting, but then beyond that who knows. We anticipate that five-six years out the lines will be crossed again as we're going to start losing money to inflation. By 2028 or 2029 we're going to be back to where we're struggling for money again.

To give you one data point on the impact of the new 473 revenue, the bottom chart essentially does the same thing but without the new 473 revenue, you can see we don't make it very far. We're very grateful for the work the Legislature did, and we do anticipate some good years. The dotted purple line represents our working capital projection. We try to maintain a level of $40 million in working capital; that's our target. What we are anticipating will be above that for a few years. We have some decisions to make on what to do about that; typically, if we have excess money, we

ask the Legislature for an increase in the appropriation for state funded construction and go do some of the work that we can't get to. I've recommended to the Director and the Budget Office that we keep those balances for now until we see what's going to happen on the revenue side. I'd much rather get up here when we start to see some of those cracks in the funding again and have a much better more robust dialogue about funding transportation rather than get to crisis mode again and just throw more gas tax at it and have a much broader discussion than just a gas tax. We're intending to keep the balances in the fund and plan for that rainy day in the future.

Laurel Project Accident

Director Tooley said I have a horrible bit of news for you – a truck just went through our traffic control on the Laurel project and killed our Project Manager. So, I'm leaving here to go down there. I'll complete my part but I'm leaving immediately after that. I'll turn some of this over Val Wilson.

Violation of the Open Meeting Law

One of the important things we do is keeping the public informed. The week of September 2nd was a good week; we got $57 million. On September 6th, we asked the Commission to approve the addition of a project that you already talked about at the earlier meeting, and we asked you to do that by email. We found out that is a violation of the Montana Open Meeting Law because we asked you to take an official action without having the possibility of public comment. A complaint was made to the Legislative Auditor who was asked us to investigate, and the conclusion of our Auditor is we did violate the law. There are some recommendations that Val Wilson will talk about. Basically no one intended for that to happen, but it did. I think we can do better in the future. Commissioner Jergeson asked that Director Tooley extend his sympathies to the family and the project folks.

Val Wilson said I've looked at the report our Chief Auditor drafted for the Legislative Audit Committee. The Chief Auditor did find that we violated the provision under the public participation statutes. That statute was enacted by the Legislature to implement the constitutional provision that allows the public to have participation in agency activities which includes the Commission. Unwittingly what the department asked you, as a Commission, caused you to be in violation of the public participation statute. I wanted to read the statute to you and tell you what we're doing with that.

The statute provides each agency … the definition of agency includes the Commission, so as a Commission the statute requires us to develop procedures to permit and encourage the public to participate in items of significant interest to the public before a final agency action. What our Chief Auditor recommended is that we look to clarify the roles of the Transportation Commission because moving something around in the schedule in TCP is probably not a final agency action that this Commission needs to approve. I'd like your permission to take a look at the statutes and some of our activity. The Auditor's Report of Finding found staff presented the STIP to the Commission for review not approval, but if you look at our Minutes from the June meeting, the Minutes state the staff presented the information on the STIP for your approval. I think we need to be precise in defining what we're doing. I would like the opportunity, with the Commission's approval, to do that research and to present something to the Commission well in advance of the December meeting so we can have a more robust discussion on those issues. We all want to follow the Constitution and the statutes and the CFR's and the federal statutes. We can do that easily, but we've been a little imprecise in presenting things – is it for your information, your concurrence, your approval, is it a final agency action, a final Commission action, etc. This came out yesterday, so we didn't have time to present this and it wasn't on the agenda.

Commissioner Skelton said it's a great idea. Any and all information you can share with us and any direction you can give us will be helpful. I tend to say what is legal think and rely on what you tell us to do. It would be wonderful if you'd take the time to research that and get back to us at our December meeting. Val said I can do that. I think it will not only help make your decisions more precise, but it will also help staff to know when the information is being presented for information or for an action by the Commission, and more information is better. Commissioner Lambert asked if the conference calls are legal. Val Wilson said the conference calls are noticed on the website but where we ran amiss was it was not a regularly schedule meeting. I think overall, in the interim, our plan is to notice any sort of action or Commission-related action on the website. Commissioner Skelton asked that when you notice us and put the information on the website, if there is something we should know, can we get an email. I don't go to the website to see what's on there. If we should be aware of something, can you put us on an email list? Val said yes. Anticipating I'm going to have some conversations with FHWA to talk about some of the procedures and hopefully have an opportunity to present you with the information way in advance of meetings, so you can think about it and make some recommendations.

The other thing I want to draw your attention to is that under this public participation statute, it says "each agency will develop procedures for permitting and encouraging …" As an agency, MDT has done that through the Administrative Rule Process. We have adopted the Attorney General's Model Procedural Rules but as a Commission we have not done that. So that's another issue we will be discussing. Commissioner Skelton asked if we needed to adopt some model rules for the Commission? Val said, without doing exhaustive research, I think so, but I'll let you know. Really the Model Rules by the Attorney General are not complicated. They say, "in accordance with Title 2, prior to making the final decision that is of significant interest to the public, the agency will afford reasonable opportunity for public participation."   We just need to look and be precise – is it a significant action, is it a final action, and is it something the Commission is approving. Commissioner Lambert asked who decides what is final or what is appropriate or significant. How do we know if we need to give the public a chance to participate? Val said the statutes are drafted for liberal interpretation, the idea of the framers and the Legislature was to err on the side of caution … you need to notice, you need the opportunity at every meeting for the public to come in at a certain time and have the opportunity to comment on the issues before you.

I don't think I need any sort of motion, but I would like to get your approval to do this research and present it to you at the next meeting. Commissioner Skelton asked for a motion to research the information and present it to the Commission at the December meeting.

Commissioner Jergeson said when he was on the Public Service Commission, whenever a quorum of Commissioners we're together, that constituted a meeting even if there wasn't an agenda item to speak to. When we went back to the National Commission in Washington D.C., we just Noticed that the Commission was going to be together in that hotel for those three days and there was no agenda, but it was still Noticed. I just think we'd be well served to simply Notice it even if there is no agenda item. If you're talking about a topic upon which you're going to later be making a decision, it seems to that the public ought to know that you are going to be discussing something even if you're not going to act on it. Commissioner Lambert asked what constituted a quorum. Commissioner Skelton said it takes two. Commissioner Lambert said then if we went to a café, we'd have to Notice to the public that we're going to go to the café? Commissioner Jergeson said it would still require there to be a quorum; it's always more than 50% to be a quorum. Val said hopefully we can start on this and give you some guidelines and the staff will also be more precise and that will help us to make those decisions.

Commissioner Lambert moved to give Val Wilson the approval to research the information and present it to the Commission at the December meeting. Commissioner Jergeson seconded the motion. All Commissioners voted aye.

The motion passed unanimously.

Commissioner Skelton said we were going to have you look into the policy about press conferences and protocols. So, we'll give you that item also to look into and present to us.

Next Commission Meeting

The next Commission Conference Calls were scheduled for November 6, 2018 and November 27, 2018. The next Commission Meeting was scheduled for December 13, 2018.

Adjourned

With sadness in our hearts, our prayers and thoughts go the family in Billings and the staff in Billings and the whole group. It is very sad. Meeting Adjourned

Commissioner Skelton, Chairman
Montana Transportation Commission

Mike Tooley, Director
Montana Department of Transportation

Lori K. Ryan, Secretary
Montana Transportation Commission