

TRANSPORTATION COMMISSION OF WYOMING

The Transportation Commission of Wyoming met in the Commission Room of the Transportation Headquarters building in Cheyenne on August 21, 2008. The meeting was convened at 8:35 a.m. by Chairman Hawkins. The following members were present constituting a quorum:

Rip Hawkins, Chairman, Devils Tower
Susan Dziardziel, Vice Chair, Douglas
Emerson Scott III, Commissioner, Dayton
Charlie Monk, Commissioner, Lovell
Cactus Covello Jr., Commissioner, Torrington
Jim Latta, Commissioner, Pinedale
Sandi McCormick, Commissioner, Rock Springs
John F. Cox, Director
Sandra J. Scott, Commission Secretary

Also present at and participating in the meeting were: Delbert McOmie, Chief Engineer; Pat Collins, Assistant Chief Engineer of Engineering and Planning; Tim Hibbard, Assistant Chief Engineer of Operations; Tom Loftin, Support Services Administrator; Colonel Sam Powell, Wyoming Highway Patrol Administrator; Dennis Byrne, Aeronautics Administrator; Kevin Hibbard, Budget Officer; Doug McGee, Public Affairs Manager; Doug Moench, Senior Assistant Attorney General; Phil Miller, Division Administrator, Federal Highway Administration; Jonathan Downing, Executive Director, Wyoming Contractors Association; Rod Graves, President, and Johnna Wilkes, Treasurer, of CC&G, Inc., Lander, Wyoming; and Taylor Renker, General Manager, Teton Steel Company.

1. It was recommended by Secretary Scott, moved by Commissioner Latta, seconded by Commissioner Scott, and carried to approve the minutes from the July 17, 2008, regular business teleconference meeting, and the August 7, 2008, special teleconference meeting.
2. Secretary Scott summarized a letter from Mr. Keith M. Cottam, President of the Platte River Parkway Trust. The Platte River Parkway Trust recently submitted a Transportation Enhancement Activities - Local (TEAL) Grant proposal for the City of Casper/Platte River Parkway Trail System, requesting that the Commission help fund the project by granting a second phase of TEAL funding. Secretary Scott replied to Mr. Cottam on behalf of the Commission, advising that their TEAL Grant proposal would be considered through the normal application process. The TEAL Committee is expected to provide final grant nominations for Commission consideration on September 18, 2008.
3. Mr. Kevin Hibbard presented the monthly Budget report.

Mr. Hibbard reported that the Department's gasoline tax revenue met revenue estimates through July, and diesel tax revenue marginally exceeded revenue estimates through July.

Fiscal Year 2009 Operating Budget and Supplemental Legislative Budget Request: The proposed FY2009 Operating Budget and summaries were presented to the Commission. WYDOT executive staff has reviewed the entire budget from which about \$200 million in cuts were made to initial program budget requests.

The 2009 supplemental budget request includes an annual 24 percent inflation factor to WYDOT's surface transportation core construction program and core airport improvement program. Mr. Hibbard has worked with Ms. Laura Ladd, Economist for the Governor's office, to arrive at an accurate inflation factor. The first priority in the supplemental budget is funding for maintenance activities and heavy equipment purchases, followed by inflation adjustments for the surface transportation construction program and the airport improvement program. Some funds were also requested to replace monies used for emergency slide repairs.

Mr. Rod Graves and Ms. Johnna Wilkes entered the meeting.

4. Mr. Graves addressed the Commission about the dramatic increase in steel prices since January. On January 10, 2008, CC&G bid on a Douglas bridge project and was subsequently awarded the project. Authorization to proceed with work was granted by WYDOT on April 1, and work did not begin on the project until June because of adverse weather. On May 23, Teton Steel Company, the steel rebar supplier, informed CC&G that they could not honor their initial quotation because of a \$300 increase in the unit price per ton since their bid was prepared in January. Additionally, the rebar won't be delivered and used at the site until March 2009.

CC&G filed a claim of \$123,000 for retroactive payment to cover the contractor's raw cost for steel material through May 2008 and included no overhead or profit. The claim was denied by the District and has been brought to the Chief Engineer for consideration.

About 2 percent of Teton Steel's business comes from WYDOT. There are only two other potential steel vendors, and they are located out of state.

Mr. Taylor Renker, General Manager for Teton Steel Company, briefed the Commission about his company's procedures for steel purchases and some of its history. In June 2008, his company experienced a \$141 per ton increase in raw material prices. Their current workload exceeds the rate at which they purchase steel. Steel has become a high-demand international commodity, making it virtually impossible to anticipate the need and purchase steel in advance. Mr. Renker advised that four out of five of his current vendors have agreed to pay a price escalation to cover recently inflated costs. Mr. Renker also indicated that this situation was unprecedented in his 45-year steel business career.

Commissioner Latta asked Mr. Renker whether or not his company would continue to furnish steel to WYDOT if retroactive payment wasn't approved for the Douglas project. Mr. Renker indicated he did not have an interest in bidding future WYDOT projects under current market conditions if the claim was not approved.

Chairman Hawkins advised that as a State agency, the Commission has a fiduciary responsibility of public funds. Additionally, he explained that WYDOT is prohibited from paying "cost-plus" on contracts.

Mr. Downing indicated that the Douglas project is unique because it was let in January 2008, and the contractor couldn't begin working until June. Also, rebar cannot be stored on the job because ultraviolet rays compromise product integrity.

Mr. McOmie recently met with representatives from the Wyoming Contractors Association. Other states were also polled to determine how steel prices were being handled elsewhere. A formal escalation clause is being studied for use on future WYDOT projects, beginning in October. Mr. McOmie advised that the FHWA will not participate in retroactive payment for the claim. They will, however, participate in escalations on future bids as long as a steel price index is in place.

It was recommended by Mr. McOmie, moved by Commissioner Scott, to accept the claim for this project, on a one-time basis, the request from CC&G for a steel price escalation on the Douglas Streets project. The motion failed for lack of a second.

It was moved by Commissioner Latta, seconded by Commissioner Covello, and carried that WYDOT, CC&G Inc., and Teton Steel Co. equally split the \$123,000 claim expense. Commissioner Scott voted no. The Commission instructed Mr. McOmie to process an E-61 to resolve the claim between the parties.

Messrs. Graves, Renker, and Downing and Ms. Wilkes left the meeting.

5. Mr. Collins presented the Engineering and Planning report.

Mr. Collins reported that no bid letting was held in August.

6. It was recommended by Mr. Collins, moved by Commissioner Covello, seconded by Commissioner Scott, and carried to approve the following project authorization:

COMMISSION DISTRICT 7

Rural Local

GCP 0.00 CN13066; Converse County; County Road 71, BNSF Crossing; approach work; fiscal year 2008; request state construction engineering and construction funds of \$27,000

7. It was recommended by Mr. Collins, moved by Commissioner Latta, seconded by Commissioner Monk, and carried to approve the following resolution:

RESOLUTION FOR ABANDONMENT

WHEREAS, under the provisions and authority of W.S. 24-3-126, the Transportation Commission of Wyoming may abandon or relinquish any portion of state highways upon reconstruction or relocation of an existing state highway; and

WHEREAS, a parcel of property adjacent to the Wyoming Department of Transportation's right-of-way for State Highway 376, South Outer Belt Drive Blvd., Sweetwater County, Wyoming, purchased as damaged, being severed by Wyoming State Highway Project No. SCP 6435, and is no longer needed for state highway or public use purposes. Said portion being described as follows:

A portion of a 2.059 acre tract of land in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 2, Original T18N, R105W (said NW $\frac{1}{4}$ NE $\frac{1}{4}$ being Lot 6 of Section 2, Resurvey T18N, R105W) of the 6th P.M., Wyoming, as said 2.059 acre tract of land is described in Book 281 at Page 1 of the Sweetwater County Records.

The parcel of land hereby abandoned being all that portion of said 2.059 acre tract of land lying between the westerly and southerly boundaries of said 2.059 acre tract of land and a parallel right of way line 100 feet to the right or southerly side when measured radially to the described survey line of highway, said parallel right of way line begins on the north-south centerline of said Section 2 and ends on the southeasterly boundary of said 2.059 acre tract of land:

Beginning at a point on said north-south centerline from which the north quarter corner of said Section 2 bears N 0° 07.8' W, a distance of 314.0 feet, said point of beginning also being located on a 4° 00' circular curve right, the radius of which is 1,432.4 feet, and at which point a line tangent to said curve bears S 44° 06' W;

thence along said curve through a central angle of 6° 24' a distance of 160 feet, more or less, to a point on a southeasterly boundary of said 2.059 acre tract of land;

thence continuing along said curve through a central angle of 2° 48' a distance of 70 feet, more or less, until said parallel right of way line 100 feet to the right or southwesterly side intersects said southeasterly boundary.

The parcel of land hereby abandoned contains 3,750 square feet, more or less.

NOW, THEREFORE BE IT RESOLVED, the Transportation Commission of Wyoming hereby abandons the above-described land to the adjacent landowners as provided for under provisions and authority of W.S. 24-3-126.

8. Passenger Rail Interim Report: The Passenger Rail Interim Report, which was recently provided to the Joint Transportation, Highways, and Military Affairs Committee, was provided to the Commission. A handout was also furnished depicting the preliminary evaluation of existing fixed railroad facilities in the study corridor from Casper, Wyoming, to Fort Collins, Colorado. The study covers only Phase 1. Phase 2 will begin when Colorado completes its portion of the study.

9. Review of WYDOT's Urban Systems Program: The Urban Systems Program provides funding to Wyoming communities with a population of over 5,000 based on a formula using the latest decennial census. Significant construction cost inflation has necessitated consideration of some potentially significant changes to the program. A preliminary meeting has been held with Mr. George Parks, Executive Director for the Wyoming Association of Municipalities, to discuss the potential changes. WYDOT will proceed with additional public outreach, including the Wyoming Association of Municipalities (WAM), to bring forth potentially unexplored options.

10. Colonel Powell presented the Highway Patrol report.

The Fatal Crash Summary through July 31, 2008, includes 62 fatal crashes involving 76 deaths. The fatalities include 25 involving rollover crashes, 33 involving multi-car crashes, 14 involving commercial vehicles, 11 involving motorcycles and all-terrain vehicles, 3 involving pedestrians, and 4 involving fixed objects. Colonel Powell reported that the total number of fatalities and crashes are slightly lower than this time last year.

There have been 26 crashes to date deemed alcohol related, resulting in 37 deaths. Of those deaths, 29 were attributed to not using restraints.

Of the 76 deaths that have occurred to date in 2008, 41 are attributed to not using occupant restraints, with 23 involving rollover crashes, 15 involving multi-car collisions, and 3 involving

fixed objects. Of the 41 deaths that occurred from non-use of occupant restraints, 33 were Wyoming residents and 8 were non-residents.

Patrol-Investigated Crash Summary: The Patrol-Investigated Crash Summary reflects activity through June 30, 2008. The summary depicts 3,972 crashes statewide, of which 3,246 involved non-commercial vehicles and 726 involved commercial vehicles.

Patrol Field Arrest Activity: Field arrest activity indicates that the majority of arrests made as of July 31, 2008, have been DUI related. Field arrests total 1,288 to date, including:

- DUI arrests from crashes - 107
- DUI arrests from traffic stops - 582
- DUI arrests from the REDDI Program - 111
- DUI arrests from ports-of-entry - 4
- NCIC hits (person) - 33
- Wyoming warrants hits - 106
- Drug arrests - 96
- Other arrests - 249

11. Ham & Jam Motorcycle Rally: Wyoming Highway Patrol troopers assisted with law enforcement at the Ham & Jam Motorcycle Rally in Hulett, Wyoming, July 31 - August 8, 2008. The Ham & Jam event is held annually in conjunction with the Sturgis Rally. Law enforcement was provided in Hulett, Sundance, and Newcastle. Ten crashes were reported with two serious injuries during the event. Two potentially dangerous situations developed during the rally involving the Hells Angels. The involved members were escorted to South Dakota.

12. Wyoming Highway Patrol (WHP) 75th Anniversary Celebration: The WHP held its 75th anniversary celebration on August 21, 2008. Governor Freudenthal attended the event. The event was sponsored and paid for by the Wyoming Highway Patrol Association and WHP employees. No Department funds were used to pay for the celebration.

13. Mr. Byrne presented the Aeronautics report, including the July Aeronautics Flight Operations Passenger Summary and the Aircraft Accident Report.

Mr. Byrne informed the Commission that on August 6, 2008, a State plane (N101WY) was damaged while parked in Jackson. The Jackson fixed base operator (FBO) was moving another aircraft when its wing collided with the nose of the State plane. The plane has been repaired, but three flights had to be chartered to fulfill the State's busy flight schedule. The plane was repaired in Wichita, Kansas, at a cost of about \$39,000. The insurance company for the Jackson FBO will pay for the repairs and possibly for the necessary chartered flights while the aircraft was out of service.

14. Mr. Loftin presented the Support Services report.

Verisol™ Update: In July 2008, 44,042 insurance verification requests were made by Wyoming law enforcement agencies, of which 37,693 were confirmed. Colonel Powell advised that the requests that were not verified (14 percent) is average for the system. Each of the requests was processed in a mere 1.54 seconds.

Rule Change for Administering an Enhanced Commercial Driver License (CDL) Testing Program: Mr. Loftin advised that demand for CDL drivers is on the rise, and there is an increasing need for individuals to conduct CDL testing. A rule change has been proposed that would allow truck driving schools and trucking companies to administer their own CDL skills testing to fulfill the need, as WYDOT cannot keep up with the demand. Under the revised rule, third party testers would not be allowed to charge applicants for taking the test and would be allowed to test only their own employees and students.

15. Mr. Tim Hibbard presented the Operations report.

It was recommended by Mr. Hibbard, moved by Commissioner Scott, seconded by Commissioner Covello, and carried to approve purchase for contract number 08-0207 to furnish four each, storefront doors to the WYDOT Complex in Cheyenne. The bid was awarded to Northland, LTD, of Fargo, North Dakota, for the sum of \$89,636.

It was recommended by Mr. Hibbard, moved by Commissioner Latta, seconded by Commissioner Scott, and carried to approve purchase for contract number 08-0219 to furnish 1,275 each cable bridge rail/guardrail for delivery at various statewide sites. The bid was awarded to Pepper Tank, of Casper, Wyoming, for the sum of \$69,430.60.

16. Mr. Hibbard advised that because of rapidly increasing steel prices, future proposed steel purchases will be presented immediately before Commission meetings and will no longer be mailed to Commissioners ahead of time. Steel suppliers will no longer guarantee their prices for long periods of time.

17. Mr. McOmie presented the Chief Engineer's report.

Annual Wyoming Contractors Association (WCA)/WYDOT Executive Staff Meeting: Mr. McOmie and other WYDOT executive staff members met with the WCA representatives for a meeting on August 11, 2008. Rising material prices was a primary discussion topic. Steel and asphalt prices continue to impact the industry, and business practices are being examined to lessen the inflationary impact. Materials costs, such as pipe and block, may be purchased and stockpiled in advance on future projects to save money.

Peak Asphalt has refused to honor some of its asphalt bid prices and is now allocating asphalt, which has severely impacted the contractors' ability to acquire materials. Consequently, the Department plans to begin bidding some reconstruction projects with alternative bids, using asphalt versus concrete.

Fiscal year 2009 letting schedules were also discussed. A tentative letting schedule will be prepared and posted on the WYDOT website by the end of August.

Executive staff briefed WCA members about legislative issues. The WCA was invited to attend a meeting this fall with Wind River Reservation representatives to discuss business opportunities, and WCA members were very receptive to the idea.

Opal Rest Area Update: The Department's plans to build a new rest area at Opal have been stymied because of the cost to relocate a 20-inch high pressure gas line near the proposed site. The estimated cost to build the rest area was \$5 million, which included a large truck parking area. Williams Pipeline estimated that it will cost over \$5.5 million to move the gas line, thereby making it cost prohibitive to build the rest area. An alternate site is being sought for the new rest area.

I-25/I-80 Interchange Study: WYDOT Planning and district staff are currently working with a consultant to review options to reconstruct/reconfigure the I-25/I-80 interchange. The Public Affairs Office and district staff plan to begin public outreach in late August 2008 and will meet with local businesses, the Cheyenne Metropolitan Planning Organization, and the Cheyenne LEADS. Media outlets will also be utilized to raise public awareness. A public meeting is scheduled September 18, 2008, in Cheyenne.

The study will explore the possibility of on/off ramp configurations and interchange costs, which are estimated at \$220 million using today's bid item prices. Federal funding must be sought, as WYDOT can not bear the total cost for such a project.

The accident rate for the I-25/I-80 interchange is twice the state average for urban interstates. In 2004, the fatal crash rate was three times the statewide average. Traffic at the interchange is projected to double by 2035, and weaving movements increase the potential for more accidents as the traffic volumes increase.

Fiscal Year 2009 First Quarter Letting Schedule: An aggressive letting schedule is planned for the first quarter of FY 2009 with lettings estimated as high as \$70 million. A mix of projects to be let include crushing and other activities that can be done during winter months.

One factor that may complicate letting sizes after the first of the year will be authorization of the fiscal year 2009 federal budget. Wyoming may see a \$68 million decrease in anticipated revenue. State funding, if approved, will also affect future lettings.

Fremont County/Wind River Reservation (WRR) Funding Request: Fremont County and the WRR have requested Commission Road Improvement Program (CRIP) funding for the 17-Mile Road project. The WRR has offered \$2.8 million toward the project and, upon its completion, will assume the responsibility of maintaining the state and county portions of the roadway. The total estimated cost of the project is about \$20 million. Additional earmarked funding is currently available, and future requests will also be made to pay for the project.

Roadside Memorial Markers: In accordance with Wyoming statute, the Department will commence removing memorial markers that have been in place for five years as of April 2009. Once the accident site markers are removed, families may keep them if they wish. District staff and the Public Affairs Program will provide a rigorous public awareness campaign and will make every attempt to contact surviving family members.

18. It was moved by Commissioner Covello, seconded by Commissioner Scott, and carried to move into executive session. The Commission went into executive session at 11:30 a.m., Thursday, August 21, 2008.

19. It was moved by Commissioner Latta, seconded by Commissioner Scott, and carried to move out of executive session. The Commission went out of executive session at 11:40 a.m., Thursday, August 21, 2008.

20. It was moved by Commissioner Monk, seconded by Commissioner Scott, and carried to adjourn the meeting. The meeting was adjourned at 11:40 a.m., on Thursday, August 21, 2008.