

Commission Minutes
April 10, 2018



IOWA TRANSPORTATION COMMISSION

Meeting Agenda / Commission Orders

April 10, 2018
Prairie Winds Event Center
908 8th St. SE, Orange City, IA

ITEM NUMBER	TITLE	SUBMITTED BY	PAGE
D-2018-64 1:30 p.m.	* Approve Minutes of the March 13, 2018 Commission Meeting Commission Comments DOT Comments	Danielle Griggs	3
PPM-2018-65	* Administrative Rules – 761 IAC 161 and 162	Stuart Anderson	5
PPM-2018-66	* Revitalize Iowa's Sound Economy (RISE) – Sioux Center	Craig Markley	13
PPM-2018-67	* Revitalize Iowa's Sound Economy (RISE) – Norwalk	Craig Markley	17
PPM-2018-68	* Revitalize Iowa's Sound Economy (RISE) – Davenport	Craig Markley	21
1:40 p.m.	Adjourn		

*Action Item

On Monday, April 9, the Commission and staff will meet informally at 3:30 p.m. Prairie Winds Event Center In Orange City, IA. Transportation-related matters will be discussed but no action will be taken.

DEPARTMENT OF TRANSPORTATION
COMMISSION ORDER

Division/Bureau/Office Director's Office Order No. D-2018-64
Submitted by Danielle Griggs Phone No. 515-239-1919 Meeting Date March 13, 2018
Title Approve Minutes of the March 13, 2018 Commission Meeting

DISCUSSION/BACKGROUND:

PROPOSAL/ACTION RECOMMENDATION:

It is recommended the Commission approve the minutes of the March 13, 2018 Commission meeting.

COMMISSION ACTION:

Moved by Kathleen Fehrman Seconded by Charese Yanney

	Aye	Vote Nay	Pass
Fehrman	<u>x</u>	<u>_____</u>	<u>_____</u>
Huber	<u>x</u>	<u>_____</u>	<u>_____</u>
Maher	<u>x</u>	<u>_____</u>	<u>_____</u>
Putney	<u>x</u>	<u>_____</u>	<u>_____</u>
Rielly	<u>x</u>	<u>_____</u>	<u>_____</u>
Rose	<u>x</u>	<u>_____</u>	<u>_____</u>
Yanney	<u>x</u>	<u>_____</u>	<u>_____</u>

Division Director Legal State Director

D-2018-64

Commissioner Fehrman made a motion to approve the minutes as written. Commissioner Yanney seconded the motion. Motion passes unanimously.

Commission Comments

Commissioner Yanney gave an overview of the project tour.

DOT Comments

Mark Lowe thanked the Commissioners and DOT staff for their work and time.

**DEPARTMENT OF TRANSPORTATION
COMMISSION ORDER**

Division/Bureau/Office Planning, Programming and Modal Division Order No. PPM-2018-65
 Submitted by Stuart Anderson Phone No. 515-239-1661 Meeting Date April 10, 2018
 Title Administrative Rules — 761 IAC 161, Federal-Aid Highway Bridge Program and
162, Surface Transportation Block Grant Program

DISCUSSION/BACKGROUND:

2017 Iowa Acts, Chapter 13, amended Iowa Code section 313.4(1)“c” which allows the Iowa Transportation Commission to swap primary road funds with Surface Transportation Block Grant funds allocated to cities and counties for road and bridge construction projects. The proposed amendments to Chapters 161 and 162 add language to comply with this legislative change.

A complete summary explaining the proposed amendments is included in the attached draft Notice of Intended Action.

After receiving Iowa Transportation Commission approval of this rule making, a Notice of Intended Action will be published in the *Iowa Administrative Bulletin* to allow for public comment.

PROPOSAL/ACTION RECOMMENDATION:

It is recommended that the Commission adopt the rule amendments included in the attached, draft Notice of Intended Action.

COMMISSION ACTION:

Moved by Tom Rielly Seconded by Charese Yanney

Division Director Legal State Director

	Aye	Vote Nay	Pass
Fehrman	x	_____	_____
Huber	x	_____	_____
Maher	x	_____	_____
Putney	x	_____	_____
Rielly	x	_____	_____
Rose	x	_____	_____
Yanney	x	_____	_____

PPM-2018-65

Stuart Anderson, Planning, Programming and Modal Division; In order to comply with last year's Code of Iowa changes that permitted the Commission to adopt a Federal-Aid Transportation Funding Swap we are proposing amendments to two rule chapters. Those two chapters are chapters 161 Federal-Aid Highway Bridge Program and chapter 162 Surface Transportation Block Grant Program. In both of those rule chapters, we add a new rule that states projects may be swapped with primary road funds; again, that would be consistent with a policy you've adopted.

In chapter 161 there are also a few minor changes, one of them is to rename the chapter from Federal-Aid Highway Bridge Program to Highway Bridge Program for Cities and Counties to reflect the fact that those funds can be swapped with primary road funds and aren't necessarily always federal-aid funds. Code references and program names were also updated to comply with current references.

Therefore, it is recommended the Commission adopt the rule amendments included in the attached, draft Notice of Intended Action.

Commissioner Rielly made a motion to approve the rule amendments as attached. Commissioner Yanney seconded the motion. The motion passed unanimously.

TRANSPORTATION DEPARTMENT [761]

Draft Notice of Intended Action as of April 2, 2018

The Department of Transportation hereby proposes to amend Chapter 161, “Federal-Aid Highway Bridge Program,” and Chapter 162, “Surface Transportation Block Grant Program,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 307.12 and 307A.2(4).

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 307.44 and 313.4(1).

Purpose and Summary

The Department is proposing to amend Chapters 161 and 162 to add language stating that primary road funds may be swapped with Surface Transportation Block Grant (STBG) funds allocated to cities and counties for road and bridge construction projects. The highway bridge program is funded through STBG funds. This change is necessary to make the rules consistent with 2017 Iowa Acts, Chapter 13, which amended Iowa Code section 313.4(1) and allows for the swap of STBG funds.

The following explains the additional proposed amendments to Chapters 161 and 162:

- Amend the title of Chapter 161 to strike federal-aid and add cities and counties. The change in the title is being made to clarify that the highway bridge program is for cities and counties and with the addition of the swap language, the funds will no longer be federal aid.
- Strike “federal-aid” within rule 761—161.1(307) for consistency.

Draft Notice of Intended Action as of April 2, 2018

- Amend rules 761—161.2(307) and 761—162.2(307) to add reference to the Department’s website where additional information may be found on the swap process.
- Amend rule 761—161.3(307) to add the words “Block Grant” to the Surface Transportation Program and amend the wording of the federal citation for consistency.
- Amend the implementation sentences within both chapters to add reference to Iowa Code section 313.4(1). The implementation sentence for Chapter 162 is also amended to strike reference to 2016 Iowa Acts, Senate File 2320 and add a reference to Iowa Code section 307.44 for consistency.
- Correct the parenthetical statutes of existing rules within Chapter 162 to reference Iowa Code chapter 307 and strike reference to 2016 Iowa Acts, Senate File 2320.

Iowa Code section 313.4(1)“c” allows the Transportation Commission to allocate money from the primary road fund to be swapped. The Transportation Commission approved the proposed changes to Chapters 161 and 162 at its April 10 meeting.

Fiscal Impact

The amendment to Iowa Code section 313.4(1)“c” increases efficiency and reduces project costs. The Department is implementing this Iowa Code change and it is early in the implementation stage and swap projects have not yet been constructed. Therefore, a fiscal impact cannot be determined but the impact will be positive.

Jobs Impact

After analysis and review of this rule making, the Department has determined that the proposed rule amendments may have a positive impact on private sector jobs and employment opportunities in Iowa. The rules will result in cost savings that will in turn be reinvested into

Draft Notice of Intended Action as of April 2, 2018

additional construction projects throughout the state. The additional projects should increase the number of jobs for the contracting and consulting industry.

Waivers

Any person who believes that the person's circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

Public Comment

Any interested person may submit written comments concerning this proposed rule making or may submit a written request to make an oral presentation at a public hearing. Written comments or requests to present oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on **xxxx xx**, 2018.

Comments should be directed to:

Tracy George
Department of Transportation
DOT Rules Administrator, Strategic Communications and Policy
800 Lincoln Way
Ames, Iowa 50010
Email: tracy.george@iowadot.us

Public Hearing

A public hearing to hear requested oral presentations will be held as follows:

xxxxx x, 2018, at 10 a.m.
Department of Transportation
Xxxxx Conference Room
800 Lincoln Way

Draft Notice of Intended Action as of April 2, 2018

Ames, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing, and have special requirements, such as those related to hearing or mobility impairments, should contact Tracy George, the Department's rules administrator, and advise of specific needs.

The public hearing will be canceled without further notice if no oral presentation is requested.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend 761—Chapter 161, title, as follows:

~~FEDERAL-AID~~ HIGHWAY BRIDGE PROGRAM FOR CITIES AND COUNTIES

ITEM 2. Amend rule 761—161.1(307) as follows:

761—161.1(307) Purpose. The purpose of these rules is to establish requirements for the counties' and cities' ~~federal-aid~~ highway bridge program, in accordance with Iowa Code section 307.44.

ITEM 3. Amend rule 761—161.2(307) as follows:

Draft Notice of Intended Action as of April 2, 2018

761—161.2(307) Contact information Information. Questions regarding Information relating to this chapter may be ~~directed to~~ obtained from the Office of Local Systems, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010, or the department's website at www.iowadot.gov.

ITEM 4. Amend rule 761—161.3(307) as follows:

761—161.3(307) Source of funds. The Surface Transportation Block Grant Program established in ~~Section 133 of Title 23 of the United States Code~~ 23 U.S.C. Section 133 provides for the use of federal funds to replace or rehabilitate public road bridges. The department, in consultation with county and city officials through their representative organizations, has dedicated a portion of these funds for replacement and rehabilitation of city and county bridges.

ITEM 5. Renumber rule 761—161.4(307) as 761—161.5(307).

ITEM 6. Adopt the following **new** rule 761—161.4(313):

761—161.4(313) Swapping of funds. Surface Transportation Block Grant funds allocated to city and county road or bridge construction projects may be swapped with primary road funds in accordance with Iowa Code section 313.4(1).

ITEM 7. Amend 761—Chapter 161, implementation sentence, as follows:

These rules are intended to implement Iowa Code ~~section~~ sections 307.44 and 313.4(1).

ITEM 8. Amend rules 761—162.1(86GA,SF2320) to 761—162.4(86GA,SF2320), parenthetical implementation statute, as follows:

(~~86GA,SF2320~~ 307)

ITEM 8. Amend rule 761—162.2(307) as follows:

Draft Notice of Intended Action as of April 2, 2018

761—162.2(307) ~~Contact information~~ Information. Information relating to this chapter may be obtained from the Office of Program Management, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515)239-1661, or the department’s website at www.iowadot.gov.

ITEM 9. Adopt the following **new** rule 761—162.5(313):

761—162.5(313) Swapping of funds. Surface Transportation Block Grant funds allocated to city and county road or bridge construction projects may be swapped with primary road funds in accordance with Iowa Code section 313.4(1).

ITEM 10. Amend 761—Chapter 161, implementation sentence, as follows:

These rules are intended to implement ~~2016 Iowa Acts, Senate File 2320, section 4~~ 307.44 and 313.4(1).

**DEPARTMENT OF TRANSPORTATION
COMMISSION ORDER**

Planning, Programming and Modal Division

Division/Bureau/Office Office of Systems Planning Order No. PPM-2018-66

Submitted by Craig Markley Phone No. 515-239-1027 Meeting Date April 10, 2018

Title Revitalize Iowa's Sound Economy (RISE) Application – Sioux Center

DISCUSSION/BACKGROUND:

The city of Sioux Center submitted a RISE Local Development application in the February 2018 round requesting a grant to assist in construction of approximately 720 feet of 16th Street Northeast located on the northeast side of town.

This project is necessary to provide access to five lots totaling more than 12 acres for industrial purposes. This project is anticipated to be completed by November 2019.

The evaluation and rating for the project will be discussed.

PROPOSAL/ACTION RECOMMENDATION:

It is recommended the Commission, based on the capital investment commitment and potential for future job creation, award a RISE grant of \$257,849 or up to 50 percent of the total RISE-eligible project cost, whichever is less, from the city share of the RISE Fund.

COMMISSION ACTION:

Moved by Charese Yanney Seconded by David Rose

	Aye	Vote Nay	Pass
Fehrman	<u>x</u>	<u> </u>	<u> </u>
Huber	<u>x</u>	<u> </u>	<u> </u>
Maher	<u>x</u>	<u> </u>	<u> </u>
Putney	<u>x</u>	<u> </u>	<u> </u>
Rielly	<u>x</u>	<u> </u>	<u> </u>
Rose	<u>x</u>	<u> </u>	<u> </u>
Yanney	<u>x</u>	<u> </u>	<u> </u>

Division Director Legal State Director

PPM-2018-66

Craig Markley, Office of Systems Planning We have three RISE projects for your review this morning. The first application is from the city of Sioux Center. There is a delegation present who will provide comments following my presentation of background information.

The city submitted a Local Development RISE funding request to assist in construction of approximately 720 feet of 16th Street Northeast located on the northeast side of town.

This project is necessary to provide access to five lots totaling more than 12 acres for industrial purposes.

Under our RISE Local Development criteria, this project received a rating of 47 points. The total estimated cost of the project is \$515,698. The city of Sioux Center is requesting a RISE grant of \$257,849 and will be providing 50 percent in local match.

Before I proceed to staff's recommendation, I would like to introduce Dennis Dokter, Assistant City Manager, who will provide some comments.

It is recommended the Commission, based on the capital investment commitment and potential for future job creation, award a RISE grant of \$257,849 or up to 50 percent of the total RISE-eligible project cost, whichever is less. Funding will come from the city share of the RISE Fund.

Commissioner Yanney made a motion to approve the RISE application for Sioux Center. Commissioner Rose seconded the motion. Motion passes unanimously.

RISE LOCAL DEVELOPMENT FUNDING
February 2018
SUMMARY

Applicant: Sioux Center

Multiyear?: No
Multijurisdiction?: No

ROAD PROJECT LOCATION AND DESCRIPTION: To construct approximately 720 feet of 16th Street Northeast located on the northeast side of town.

ASSOCIATED ECONOMIC DEVELOPMENT: This project is necessary to provide access to 5 lots totaling more than 12 acres for industrial purposes.

PROJECT FINANCING:

Roadway Project Cost:	\$515,698	Local Match (Total):	\$257,849
RISE (Total):	\$257,849	Up-Front:	\$257,849
Grant:	\$257,849	NPV of Loan Repayment:	0
Loan:	0	Effective Match Percent:	50
Loan Terms:	Yrs. 0		
	Int.: 0 %	Up-front Participation Sources:	
		Private:	
		Public:	\$257,849
		Local Match (Total):	\$257,849

PROJECT EVALUATION:

Development Potential (35):	20
Economic Impact and Cost Effect. (20):	7
Local Commit. and Initiative (35):	15
Transportation Need (4):	3
Local Economic Need (6):	2

Total Rating: 47

Jobs: 0

STAFF RECOMMENDATION:

Award a grant of \$257,849 or up to 50 percent of the RISE-eligible project cost, whichever is less. Funding will come from the city share of the RISE Fund.

PPM-2018-67

Craig Markley, Office of Systems Planning; Next we have a RISE project application from Norwalk for your review this morning.

The city of Norwalk previously was awarded a RISE Local Development grant to assist in the grading and paving of approximately 1,403 feet of Delaware Street including a left-turn lane and construction of a southbound deceleration lane on Iowa 28 located on the south side of town. Since this project involves an Iowa Economic Development Authority certified site then RISE polices allow for amendments to the scope and grant award. This amendment involves reconstruction of approximately 560 feet of Delaware Street to improve access to the proposed Michael Foods manufacturing and distribution facility.

The total estimated cost of the additional roadway improvement is \$313,818. The city of Norwalk is requesting a combined RISE grant of \$188,291 (\$100,547 city and \$87,744 county) and will be providing 40 percent in local match.

It is recommended the Commission approve the modification of the previously awarded RISE grant to include the additional costs of \$100,547 from the city share of the RISE Fund and \$87,744 from the county share of the RISE Fund for a total of \$188,291 or up to 60 percent of the total RISE-eligible project cost, whichever is less.

Commissioner Maher made a motion to approve the RISE application for Norwalk. Commissioner Fehrman seconded the motion. Motion passes unanimously.

RISE LOCAL DEVELOPMENT FUNDING
February 2018
SUMMARY

Applicant: City of Norwalk

Multiyear?: No

Multijurisdiction?: Yes

ROAD PROJECT LOCATION AND DESCRIPTION: Grading and paving of approximately 560 feet of Delaware Street in addition to the previous award for grading and paving of 1,403 feet of Delaware Street including a left-turn lane and construction of a southbound deceleration lane on Iowa 28 located on the south side of town.

ASSOCIATED ECONOMIC DEVELOPMENT: This project is a modification to the previous award to improve access to the Ansell/Knox Property General Industrial Site, an Iowa Economic Development Authority certified site of more than 55 acres for future industrial purposes.

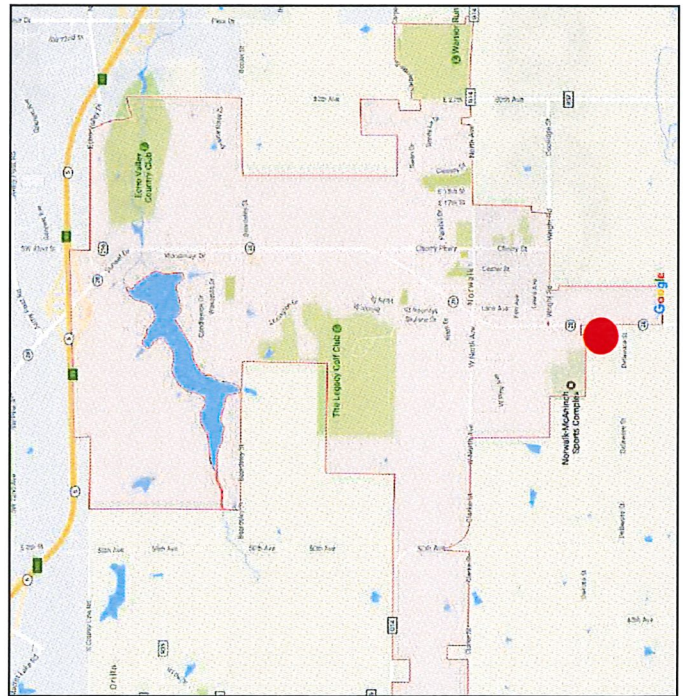
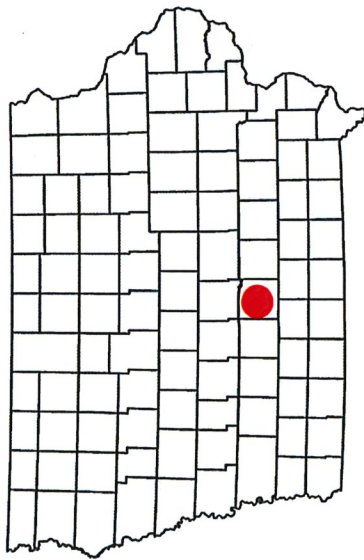
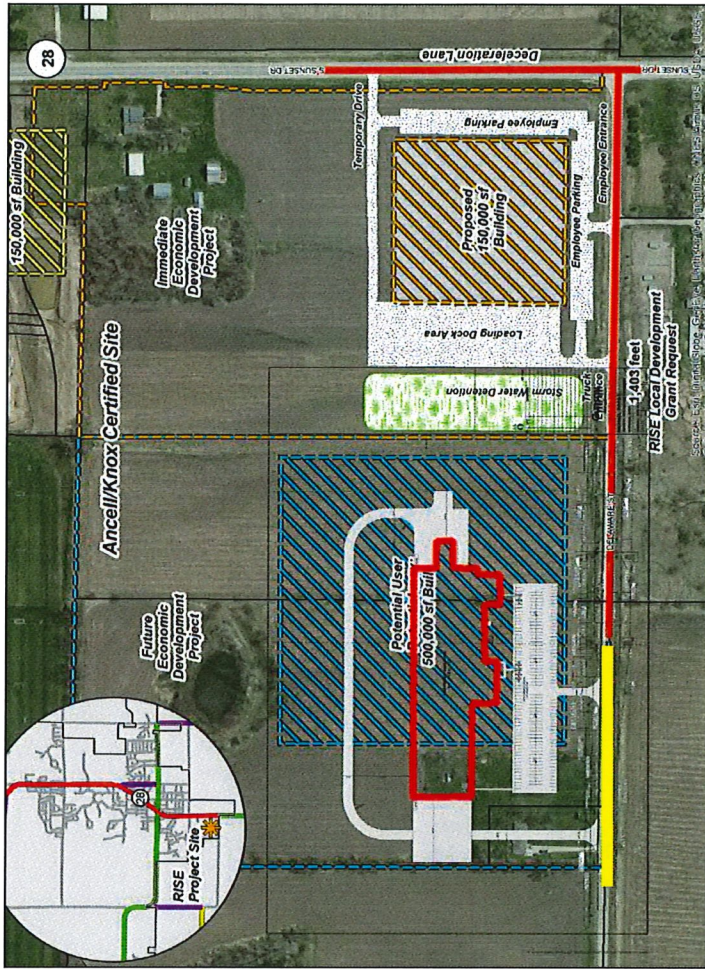
PROJECT FINANCING:

Roadway Project Cost:	\$313,818	Local Match (Total):	\$125,527
RISE (Total):	\$188,291	Up-Front:	\$125,527
Grant:	\$188,291	NPV of Loan Repayment:	0
Loan:	0	Effective Match Percent:	40
Loan Terms:			
Yrs.	0	Up-front Participation Sources:	
Int.:	0 %	Private:	
		Public:	\$125,527
		Local Match (Total):	\$125,527

STAFF RECOMMENDATION:

Modify the previous RISE award for this Certified Site by adding a grant of \$100,547 from the city share of the RISE Fund and \$87,744 from the county share of the RISE fund, for a total of \$188,291 or up to 60 percent of the RISE-eligible project cost, whichever is less.

Norwalk



DEPARTMENT OF TRANSPORTATION
COMMISSION ORDER

Division/Bureau/Office Planning, Programming and Modal Division
Office of Systems Planning Order No. PPM-2018-68
 Submitted by Craig Markley Phone No. 515-239-1027 Meeting Date April 10, 2018
 Title Revitalize Iowa's Sound Economy (RISE) Application – Davenport

DISCUSSION/BACKGROUND:

The city of Davenport previously was awarded a RISE Local Development/Immediate Opportunity grant to assist in the construction of turn lanes on Slopertown Road and on Division Street, intersection improvements on Slopertown Road and Division Street, on Northwest Boulevard and Hillandale Road, and on Hillandale Road and Slopertown Road located on the northwest side of town. An amendment to the scope and grant award was requested to reconstruct approximately 4,200 feet of Slopertown Road.

This amendment is necessary to provide improved access to the Eastern Iowa Industrial Center certified site of more than 130 acres for future industrial development. This project is anticipated to be completed by November 2019.

The evaluation and rating for the project will be discussed.

PROPOSAL/ACTION RECOMMENDATION:

It is recommended the Commission approve the modification of the previously awarded RISE grant to include the additional costs of \$1,032,248 from the city share of the RISE Fund and \$98,452 from the county share of the RISE Fund for a total of \$1,130,700 or up to 60 percent of the total RISE-eligible project cost, whichever is less. Since this is a certified site project, the actual award amount is subject to change as the project plans are finalized. Any changes to the scope or approved funding will be submitted by the department to the Commission for consideration as a modification to the award.

COMMISSION ACTION:

			Vote	
			Aye	Nay
			x	_____
			_____	Pass
			x	_____
			_____	_____
Moved by	<u>David Rose</u>	Seconded by	<u>Nancy Maher</u>	
			x	_____
			_____	_____
			x	_____
			_____	_____
			x	_____
			_____	_____
_____	_____	_____		
Division Director	Legal	State Director		

PPM-2018-68

Craig Markley, Office of Systems Planning; Finally, we have a RISE project application from Davenport for your review this morning.

The city of Davenport previously was awarded a RISE Local Development/Immediate Opportunity grant to assist in the construction of turn lanes on Slopertown Road and on Division Street, intersection improvements on Slopertown Road and Division Street, on Northwest Boulevard and Hillandale Road, and on Hillandale Road and Slopertown Road located on the northwest side of town. Since this project involves an Iowa Economic Development Authority certified site then RISE polices allow for amendments to the scope and grant award. This amendment involves reconstruction of approximately 4,200 feet of Slopertown Road to improve access for the new Kraft-Heinz and Sterilite manufacturing facilities as well as for the remaining certified site area to be developed.

The total estimated cost of the additional roadway improvement is \$1,884,500. The city of Davenport is requesting a combined RISE grant of \$1,130,700 (\$1,032,248 city and \$98,452 county) and will be providing 40 percent in local match.

It is recommended the Commission approve the modification of the previously awarded RISE grant to include the additional costs of \$1,032,248 from the city share of the RISE Fund and \$98,452 from the county share of the RISE Fund for a total of \$1,130,700 or up to 60 percent of the total RISE-eligible project cost, whichever is less.

Commissioner Rose made a motion to approve the RISE application for Davenport. Commissioner Maher seconded the motion. Motion passes unanimously.

RISE LOCAL DEVELOPMENT FUNDING
February 2018
SUMMARY

Applicant: City of Davenport

Multiyear?: No
Multijurisdiction?: Yes

ROAD PROJECT LOCATION AND DESCRIPTION: Grading and paving of approximately 4,200 feet of Slopertown Road in addition to the previous award for turn lanes on Division Street, intersection improvements on Northwest Boulevard and Hillendale Road and on Hillendale Road and Slopertown Road located on the northwest side of town.

ASSOCIATED ECONOMIC DEVELOPMENT: This project is a modification to the previous award to improve access to the Eastern Iowa Industrial Center, an Iowa Economic Development Authority certified site of more than 130 acres for future industrial purposes.

PROJECT FINANCING:

Roadway Project Cost:	\$1,884,500	Local Match (Total):	\$753,800
RISE (Total):	\$1,130,700	Up-Front:	\$753,800
Grant:	\$1,130,700	NPV of Loan Repayment:	0
Loan:	0	Effective Match Percent:	40
Loan Terms:	Yrs. 0	Up-front Participation Sources:	
	Int.: 0 %	Private:	
		Public:	\$753,800
		Local Match (Total):	\$753,800

STAFF RECOMMENDATION:

Modify the previous RISE award for this Certified Site by adding a grant of \$1,032,248 from the city share of the RISE Fund and \$98,452 from the county share of the RISE Fund, for a total of \$1,130,700 or up to 60 percent of the RISE-eligible project cost, whichever is less.

